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Japan

Tokyo: 'Not Intend To Accept' New Chip Proposal

OW2311111995 Tokyo NIHON KEIZAI SHIMBUN in Japanese 23 Nov 95 Morning Edition p 1

[FBIS Translated Text] The U.S. Government has proposed concluding a new Japan-U.S. semiconductor agreement, rather than renewing the current accord that expires at the end of next July. The administration says the new accord should use objective criteria to measure the penetration of foreign-made chips in the Japanese market instead of the foreign share targets included in the current pact. It is believed that by making such a proposal, Washington aims to avoid arguments over numerical targets as the Japanese Government is opposed to such targets.

Under the new agreement, Washington would focus on promoting design-in (cooperation at and beyond the designing stage) and other types of cooperation between the semiconductor industries of the two countries. The United States has highly evaluated design-in as a major result produced by the current chip accord. It has also noted that the "multiple standards" in government procurement and auto and auto parts agreements reached during the Japan-U.S. framework trade talks can be used as objective standards that will replace specific numerical targets.

The appendix to the current semiconductor agreement includes the U.S. expectation that "the share of foreign-made semiconductors in the Japanese market should exceed 20 percent." Japan interpreted the target as a goal to strive for, while the United States regarded it as a virtual promise made by Japan. Their differing interpretations caused friction between the two countries.

Washington appears to have decided not to seek numerical targets for the new accord because the share of foreign-made chips in the Japanese market has stabilized at a little over 20 percent. Also, judging from the experience of the framework trade talks, it must have concluded that its request for setting numerical targets would not only be rejected by Japan, but would also have harmful effects on Japan-U.S. relations.

The U.S. Government has informed Japan's Ministry of International Trade and Industry [MITI] and other concerned offices of its proposal during working-level talks. However, MITI does not intend to accept the proposal to conclude a new agreement, claiming: "Now that foreign share has stabilized, no such things as objective criteria are necessary."

Tokyo To Limit Beyond Rights for U.S. Airlines

OW2411121295 Tokyo KYODO in English 1149 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — The Transport Ministry plans to limit the number of destinations and flights to be permitted for U.S. air cargo carriers when they fly beyond Japan, ministry officials said Friday [24 November].

The plan will be formally presented to Japan-U.S. cargo aviation talks due to resume in Washington next Tuesday, the officials said, adding that the limit will not apply to the air routes already covered by U.S. carriers.

American carriers are eager to enter the air cargo market in Asia because of growing demand. The U.S. Government maintains that the expansion of beyond rights is its vested right under the bilateral aviation agreement and should be granted without any conditions.

But Japan has insisted that the beyond rights for U.S. airlines should be frozen to narrow the existing aviation gap between the two countries.

The ministry plan is expected to face strong opposition from U.S. negotiators in the coming talks which are scheduled to last until next March.

There is no room for optimism concerning the outcome of the negotiations, a senior official of the ministry's Civil Aviation Bureau said.

Earlier in the day, Akira Kondo, president of Japan Airlines, urged the ministry to impose a freeze on U.S. flights to Asia via Japan in order to press for equal rights for Japanese carriers.

U.S. demands for greater rights for its airlines are unjustifiable, Kondo said at a press conference.

Murayama Sends Letter to Ota on U.S. Bases

OW2311052795 Tokyo KYODO in English 0519 GMT 23 Nov 95

[FBIS Transcribed Text] Naha, Japan, Nov. 23 KYODO — Prime Minister Tomiichi Murayama's letter urging the governor of Okinawa prefecture to sign documents needed to force local people to lease land for U.S. military bases arrived in the prefectural government office in Naha on Thursday [23 December].

The day being a national holiday, however, the office was closed and the letter was handed to a guard at the gate.

Gov. Masahide Ota will receive it Friday before flying to Tokyo for his scheduled meeting with Murayama, aides said.

The letter is the first in a series of legal steps necessary to complete the signing of documents.

Ota is expected to reject the premier's request, prompting Murayama to take additional measures to eventually win a court order authorizing the prime minister to sign documents on behalf of the governor.

Ota Rejects Murayama's Advice

OW2411051095 Tokyo KYODO in English 0446 GMT 24 Nov 95

[FBIS Transcribed Text] Naha, Japan, Nov. 24 KYODO — Okinawa Gov. Masahide Ota on Friday [24 November] turned down a recommendation from Prime Minister Tomiichi Murayama in a letter that the governor sign documents needed to force residents in Okinawa Prefecture to lease land to U.S. military facilities.

Ota, who received the letter earlier in the day, decided to inform Murayama in writing of his rejection next Monday after consulting with top prefectural government officials, Okinawa prefectural officials said.

"It is appropriate not to agree to (Murayama's) advice because I have told the national government that I would not sign the documents," Ota told reporters.

"We want a reduction in the U.S. bases. What matters is not only words but also action that resolves the problem," he said before flying to Tokyo for a meeting later Friday with Murayama.

Ota's refusal is likely to force Murayama to file an administrative suit for a court order for the governor to sign the papers, and for the premier to sign the documents if Ota refuses to comply with the court order.

Murayama may also visit Okinawa in January to hear the opinions of local residents who are demanding reduction or complete removal of the U.S. military bases.

Ota has refused to cooperate with the central government to enforce land leasing because of the outrage in Okinawa over the rape of a local schoolgirl in September, for which three U.S. servicemen are on trial.

As the first step in the legal process concerning the land lease, Murayama in the letter asked ota to sign documents for leasing 35,000 square meters of land plots owned by 35 landowners because the landowners themselves and municipal authorities have refused to do so.

Okinawa, about 1,600 kilometers southwest of Tokyo, is home to some 75 percent of U.S. military installations in Japan.

On Sept. 28, Ota refused to cooperate with the central government in forcing local landowners to renew contracts allowing their land to be used by U.S. forces.

In declaring the refusal, Ota said the existence of U.S. bases has hindered development in Okinawa. He also cited fears that the Okinawa bases may become a fixture on the island through a redefinition of the Japan-U.S. security arrangement.

Based on the law on land expropriation for U.S. forces, the government in Tokyo is preparing to have 35 Okinawan landowners renew contracts with the central government before the expiration of the current contracts in March next year and May 1997.

Land expropriation procedures have been completed for most of some 2,900 landowners whose contracts run out before May 1997.

Governor Urges Murayama To Reduce U.S. Bases

OW2411124395 Tokyo KYODO in English 1229 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Okinawa Gov. Masahide Ota pressed Prime Minister Tomiichi Murayama on Friday [24 November] to reconfigure and reduce U.S. bases and troops in his southwestern Japanese prefecture.

"First of all, I asked him to have reconfiguration and reduction of bases clearly stipulated" in a joint statement to be released when U.S. President Bill Clinton visits Japan as early as in January, Ota told reporters after emerging from a meeting with Murayama at his official residence.

In an hourlong showdown, the premier sought understanding of his initiation of legal measures to strong-arm recalcitrant Okinawa residents into renewing the leases of their land with the U.S. military.

Ota has staunchly refused to cooperate with the central government to enforce leasing of the land because of outrage in Okinawa over the rape of a 12-year-old schoolgirl in September, for which three American servicemen are on trial.

The rape has intensified longstanding antagonism to the heavy U.S. military presence on the island, with Okinawans demanding that the rest of Japan share more of the burden.

Okinawa, about 1,600 kilometers southwest of Tokyo, is home to some 75 percent of U.S. military facilities in Japan although the prefecture accounts for only 0.6 percent of the nation's land area.

Earlier in the day, Gov. Ota turned down a recommendation from Prime Minister Murayama in a letter that the governor sign documents needed to force residents in Okinawa Prefecture to lease land to U.S. military facilities.

Ota, who received the letter earlier in the day, decided to inform Murayama in writing of his rejection next Monday after consulting with top prefectural government officials, Okinawa prefectural officials said.

Ota indicated he will continue to refuse Murayama's recommendation that he sign documents necessary to have the holdout landowners agree to continue renting their plots to U.S. forces in Okinawa, Chief Cabinet Secretary Koken Nosaka told a news conference.

"I received a written recommendation, so I will respond to that in writing," the top government spokesman quoted Ota as telling the premier in their second meeting in less than a month.

In the previous meeting Nov. 4, the Okinawa governor reiterated his adamant refusal to sign the documents on behalf of the landowners.

Murayama took the first step Wednesday in the legal process to force the landowners to continue leasing their property when he made the recommendation to Ota.

If Ota rejects the recommendation, Murayama will issue an order that Ota sign the papers on behalf of the landowners. If the governor ignores the order, the premier can take the case to court in a step that would authorize him to sign the documents himself.

"Secondly, I did not want the number of U.S. troops noted (in the declaration)," Ota told reporters, apparently out of concern that a stipulation that the current 47,000 forces would be maintained in Japan would slam the door on Okinawa residents' hope for a cut in bases and troops.

The U.S. Government has made it clear it will retain 100,000 troops in east Asia, including those in Japan. The joint statement is expected to note the U.S. policy, with a reference to the number of troops in Japan.

While showing understanding toward the apprehension of Okinawa residents about the maintenance of the huge U.S. military presence in their island prefecture, Murayama indicated that the 47,000 troop figure will be noted in the document, Nosaka said.

The governor also told reporters, "Thirdly, I told the prime minister that our prefecture does not want a broader interpretation given to (Japan-U.S. security arrangements)."

Ota was referring to a news report concerning a stipulation in the draft joint declaration that Japan and the U.S. will promote a multilateral regional security system in cooperation with other nations in Asia.

In the meeting with Ota, Murayama said the extent of the bilateral security treaty will be kept unchanged instead of being more broadly interpreted, according to Nosaka.

Tokyo and Washington are trying to reschedule Clinton's postponed Japan trip for January. The U.S. President was due to make a state visit to Japan last weekend but called it off in the face of a domestic budget impasse.

Japanese Government officials have said the joint statement, to be issued when Clinton's visit is realized, will clearly stipulate a reduction of U.S. bases and troops in Okinawa, in addition to their realignment and consolidation.

Chief Cabinet Secretary Nosaka said the premier told Ota that the declaration will refer to a retrenchment because it was reaffirmed in his meeting with U.S. Vice President Al Gore in Osaka Sunday.

Gore came to Japan to attend the Asia-Pacific Economic Cooperation (APEC) forum summit in place of Clinton. He met Murayama in the western Japanese city after the APEC summit.

Nosaka said Ota did not ask for Murayama to visit Okinawa. He had said the premier would make a visit if there was a request from the Okinawa Prefectural Government.

Concerning possible reinterpretation of the Japan-U.S. Security Treaty, Ota said at a news conference, "If the interpretation of the word 'Far East' is expanded to become global, it will cause many problems."

The two countries have agreed to give new significance to the bilateral security treaty.

The current treaty says in the preamble that the two countries "have a common concern in the maintenance of international peace and security in the Far East."

"U.S. military planes, which flew from Okinawa, killed people in the Korean War and the Vietnam War. Okinawa residents are grieved about playing a role as assailant," Ota said.

Rally in Okinawa Seeks End to Security Pact

OW2411120995 Naha OKINAWA TIMES in Japanese 24 Nov 95 Morning Edition p 25

[FBIS Translated Text] On the evening of 23 November, the "1995 Japan Peace Convention" to seek the abolition of the Japan-U.S. Security Treaty and removal of U.S. military bases opened in Naha City. The meeting is sponsored by the executive committee, which is composed of 75 reformist groups, including the National Confederation of Trade Unions. About 2,000 people, including antiwar landowners who are opposed to the forcible lease of land to U.S. Forces and labor union members, attended the convention.

Japan Communist Party Chairman Tetsuzo Fuwa gave a speech at the meeting. Criticizing Prime Minister Tomiichi Murayama for starting procedures for his proxy signing of documents needed to force unwilling landowners to continue to lease their land to U.S. Forces, said: "The prime minister has said he understands the Okinawan residents' feelings. But if he really understands, he should refuse to sign." He added: "Most people are aware that the Japan-U.S. security pact exists only for the United States' global strategy. This is the time we should make all-out efforts to promote the peace movement."

Also, a message from Okinawa Governor Masahide Ota was read at the rally. The message said: "Although 50 years have passed since the end of the war, intolerable burdens (such as the burden of U.S. military bases) have been imposed on Okinawan residents. I will promote the peace movement to make Okinawa a peaceful island."

Peace conventions have been held in various parts of Japan. The Okinawa rally is the 10th such convention. Panel discussions and various meetings will be held during the four-day rally, which will end on 26 November.

Kono Says Scale of USFJ With Tokyo's Consent

OW2311001595 Tokyo YOMIURI SHIMBUN in Japanese 22 Nov 95 Morning Edition p 2

[FBIS Translated Text] Foreign Minister Yohei Kono stated on 21 November that "Japan also fully discussed and studied" the troop strength of 47,000 soldiers of the U.S. forces in Japan [USFJ], which has been indicated by the United States in connection with the plan to reconfirm the significance of Japan-U.S. security arrangements. By saying this, he revealed for the first time that the United States has decided on the figure after gaining Japan's consent. Kono made these remarks in reply to questions by Hiroshi Yamada (from New Frontier Party) at a session of the House of Representatives' Committee on Foreign Affairs.

Regarding the USFJ's troop strength, the government has so far merely stated: "The United States has decided that the figure is necessary to defend Japan, stabilize the Far East region, and achieve security obligations. Japan has to respect that decision," (as stated by Masaki Orita, chief of the Foreign Ministry's North American Affairs Bureau).

Hashimoto on Importance of U.S. Security Accord

OW2311073495 Tokyo KYODO in English 0719 GMT 23 Nov 95

[FBIS Transcribed Text] Sendai, Nov. 23 KYODO — Trade Minister Ryutaro Hashimoto called Thursday [23 November] for U.S. President Bill Clinton's early visit to Japan, reminding Washington of its close ties with Tokyo as trans-Pacific allies.

"The international community has shifted away from the era of confrontation between the East and West camps, but we cannot loosen the (close) Japan-U.S. relationship," said Hashimoto, head of the dominant ruling coalition partner Liberal Democratic Party (LDP).

"The United States should not be allowed to confine itself in the American continent or look only to Europe. It should not forget it is also a Pacific country," he told an LDP seminar in Sendai, northern Japan.

He then voiced hope for Clinton's early Japan visit, which had originally been scheduled for mid-November but canceled due to a domestic federal budget standoff with Congress.

Hashimoto stressed the importance of a joint statement to be issued by Clinton and Prime Minister Tomiichi Murayama to reaffirm the continued bilateral security alliance in the post-Cold War era.

"Behind the stability of the Japan-U.S. relationship is the backbone of the Japan-U.S. security setup," he said.

"We should recognize that this has led to stability in the Asia- Pacific region."

The comment followed recent complaints by some senior U.S. Government officials that Japanese leaders have not done enough to explain the importance of the bilateral security arrangements to the public.

Resentment has spread among the Japanese public over the U.S. military presence in Japan in the wake of the rape of a schoolgirl in Okinawa, for which three U.S. servicemen are on trial.

SDPJ, JCP Demand Halt to Live-Fire Exercises

OW2411102595 Tokyo KYODO in English 0957 GMT 24 Nov 95

[FBIS Transcribed Text] Naha, Japan, Nov. 24 KYODO — The prefectural chapters of the Social Democratic Party (SDP) and Japanese Communist Party (JCP) on Friday [24 November] demanded a halt to the resumption next week of live ammunition artillery firing drills by the U.S. Marine Corps.

Representatives of the local party chapters called on the Naha headquarters of the Defense Facilities Administration Agency to convey their protests against the drills scheduled from Nov. 28 to Dec. 1 at Camp Hansen.

The SDP called the drills a "challenge to human dignity and peace," and demanded they be halted immediately as well as demanding that the place and numbers of drills, shots fired and misfires during the 50 years since the end of the war also be revealed.

The JCP also demanded a halt to the exercises and the dismantling of all drill sites.

Okinawa residents have long complained about the live firing drills since traffic on Highway 104 is disrupted during the exercises and shells have also been found in residential areas.

Murayama's Proxy Signing of Land Leases Viewed

OW2311120195 Naha RYUKYU SHIMPO in Japanese 22 Nov 95 Morning Edition p 3

[FBIS Translated Text] Tokyo — On 21 November, Prime Minister Tomiichi Murayama began legal procedures for his proxy signing of the U.S. military's compulsory land lease contracts on Okinawa. We interviewed Kosuke Uehara, Social Democratic Party of Japan [SDPJ] vice chairman, on the party's reaction to, and the handling of his proxy signing.

[Reporter] What is your reaction to the prime minister undertaking the proxy signing?

[Uehara] I understand very well how frustrated Governor Masahide Ota and the Okinawan people are at the fact that no progress has been made in the reorganization and reduction of U.S. bases. Therefore, we have made efforts to ease their frustrations and have set up a consultative body between Japan and the United States. However, without tangible results in reorganization and reduction, I do not think the prime minister undertaking the proxy signing can dispel all complaints. Complying with the set diplomatic policies and promoting reform in domestic politics are the basic stands taken by the coalition administration. When considering Japan-U.S. relations, the prime minister's proxy signing is inevitable. I would like to make the utmost efforts to reflect the Okinawan people's will in discussions at the Japan-U.S. consultative body.

[Reporter] In Okinawa, there is strong reaction to the SDPJ.

[Uehara] I would like you to understand that because it is the SDPJ administration, the government can take a stance it could never have taken before. Since the Okinawa problem must be settled through government-level negotiations, it will take time to hammer out a conclusion. Mere resistance cannot solve the problem. How to break the wall is the essential political task. Some people call for the security treaty's abolition. But we must not forget that there were only four requests made at the people's mass, including a review of the Japan-U.S. Status of Forces Agreement and base reorganization and reduction. We would like to make efforts to reorganize and reduce the U.S. bases and ease the strain Okinawa bears under the current security system.

[Reporter] It has been reported that the draft of the "joint statement," which was scheduled to be released during the Japan-U.S. summit, did not include the word "reduction."

[Uehara] Our party decided that the joint statement must clearly state the promotion of base "reorganization and reduction"; and the application of the Japan-U.S. Security Treaty should not be expanded to the global level. We sent this policy to today's government and ruling party leaders' meeting and obtained their approval. Furthermore, the SDPJ decided that in addition to the reorganization and reduction of base facilities already agreed upon by both Japan and the United States, the government must put the highest priority on the complete return of Futenma Air Station. The return of the Futenma base has been discussed among the ruling parties. We would very much like to achieve that.

Effect of Clinton's APEC Absence Assessed

OW2411101695 Tokyo EKONOMISUTO in Japanese 28 Nov 95 p 23

[Article by Susumu Awanohara, Nikko Research Center]

[FBIS Translated Text] President Bill Clinton's visit to Japan was important not only for mending U.S. relations with Japan — where there is a growing clamor to review the military alliance with the United States in the aftermath of the rape of a schoolgirl in Okinawa — but also for strengthening ties with the Asia Pacific Economic Cooperation (APEC) forum, which the President personally considers to be the cornerstone of U.S. policy in Asia since 1993.

That is to say, the objective of U.S. policymakers was to reaffirm the indispensability of the Japan-U.S. alliance even after the Cold War, and this became even more urgent after the Okinawa incident. On the other hand, at APEC, the United States had teamed up with Australia to protest strongly against Japan, the host country, and its sympathizers, the ROK, Taiwan, and PRC, for attempting to exclude agriculture from trade liberalization.

Against this backdrop, it was thought that President Clinton would push through with his visit to Japan by all means. However, it turned out that the U.S. budget negotiations were no where near a solution before the weekend, and the Japan trip had to be canceled at the last minute.

To give a benign interpretation of President Clinton's sending Vice President Al Gore to Japan to represent him, the U.S. Government went out of its way to be polite by not being content with sending just the cabinet members who were originally scheduled to come to Osaka.

Widespread Ramifications

With regard to the impact of President Clinton's cancellation of his visit to Japan, it is certainly a serious blow to the Japan-U.S. relationship. In preparation for the visit, U.S. officials in charge of Japan had worked very hard day and night to revitalize the bilateral security relations, which have been strained by trade frictions. They worked even harder after the Okinawa incident.

Assistant Secretary of Defense Joseph Nye was at the center of these activities. He put everything into his last job of drafting the Japan-U.S. joint statement to be issued during Clinton's visit before resigning by the end of 1995 to return to Harvard University. The next time President Clinton meets the Japanese prime minister, Nye will not be in his present post. Although there will certainly be a successor to do his work, it is evident that a golden opportunity to repair bilateral relations has been lost.

In terms of the impact on APEC, since most APEC members are U.S. allies and friends, and they are all familiar with the situation in the United States, there may not be many APEC members who will complain that the cancellation of the Japan visit is a "sign of contempt of Asia."

However, the absence of President Clinton, who played a central role in Bogor, not to mention Seattle, undoubtedly, seriously undermines the efforts to establish the prestige of the APEC summit.

Nevertheless, it must be realized that President Clinton's absence may not be unwelcome for everyone alike. Japan and a number of countries upholding agricultural protectionism had been critical of the attitude of the United States and Australia, which had pushed unilaterally and arbitrarily for transforming APEC from a "venue of exchanges" into a "venue of negotiations." If, due to President Clinton's absence, U.S. representatives to APEC assumed a more low-keyed attitude, then this was to Japan's benefit.

Absence Caused 'Shock'

OW2311110895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 20 Nov 95 Morning Edition p 2

[Editorial: "Has a Road Been Opened Toward the 'APEC Century'?"]

[FBIS Translated Text] The Asia-Pacific Economic Cooperation (APEC) forum in Osaka closed with the unofficial summit adopting the "Osaka Declaration," which includes an action agenda for the liberalization of trade and investment. Although the conclusions reached are characterized by ambiguity, at least a guideline for taking concrete action has been formulated. This can be considered an achievement of the Osaka forum.

At the same time, there was also the shock caused by U.S. President Bill Clinton's canceling his attendance at the meeting. The question of how economic development in the region should be promoted, and how to establish an international order was, once again, raised.

The greatest issue for the Osaka forum was to formulate a mechanism (action agenda) to implement the Bogor Declaration on trade and investment liberalization (by 2010 for advanced nations, and 2020 for developing countries) issued by the APEC summit last year. It was a formidable task of formulating rules on the promotion of liberalization, not based on treaties and agreements — and therefore, not through negotiations — but merely through the member states' own initiative and mutual cooperation.

Expectations on Future Efforts

Some of the points of contention were: How to guarantee the implementation of liberalization without the use of coercion; whether exceptions will be allowed in difficult areas; how to maintain the equality of liberalization measures of the member states; and whether nondiscrimination in liberalization should apply to non-APEC nations.

The Osaka action agenda gives a strong impression of evading all these difficult questions by ambiguous expressions that can be interpreted either way. Although it is commendable that the forum avoided irreconcilable conflicts, the meeting has only deferred the problems. The APEC members must realize that much depends on their future efforts and mutual understanding.

If we go by the thinking that basically, APEC's way is: "not to attempt the impossible, no coercion, and accomplishing things unobtrusively while leaving some room for ambiguity," then the Osaka Declaration can be considered a success in its own way.

However, such a way of doing things is the "Asian style," and it would be wrong to assume that the Asian style had the upper hand at the Osaka forum. It is futile, and even dangerous, to introduce the Asian-versus-European-and-American, or the Oriental-versus-occidental points of view. APEC has to move forward while the lingering ambiguity reflects the fact that the reality of diversity in Asia, plus the vast territory of the Pacific region, makes it difficult to establish clear-cut concepts and principles.

Despite this fact, APEC is assuming an increasingly high profile as an organization because the economy of this region, which carries great weight in the world, has developed spectacularly and the relationship of interdependence is growing rapidly. And for this, the member states have decided that liberalization and regional cooperation are in their interest, and have come to unite under APEC.

The problem is: What is the optimum way to implement liberalization in a manner satisfactory to all members? The only thing to do is to persist in efforts to search for a way. APEC also involves a challenge of the unknown.

However, the idea that if APEC members work together by not attempting the impossible and continuing to scratch each other's backs, things will turn out fine is no guarantee of success. Looking back on ASEAN's history, such a tendency seems to have been quite strong. If we look at Asia as a whole, including Japan, China, Taiwan, the ROK, and India, there seems to be no reason to be optimistic.

Many Asian countries have experienced great historical changes, such as independence, revolutions, civil wars (some remnants still exist), structural changes after the Cold War, and rapid economic development, in the 50 years since World War II. They are also in the process of further changes as the growth center of the world. Concerns about the environment, population, energy, food supply, arms race, and other problems have also emerged.

What should the international order be to deal with the ongoing radical changes in Asia that might bring instability? We must bear this question in mind. It is also unrealistic to confront the fledgling APEC with this issue. However, if summit meetings are held every year, this issue will have to be recognized. U.S. officials have declared publicly that the United States intends to have APEC involved with security issues. The same United States significantly diminished its presence at the Osaka conference after President Clinton canceled his trip to Japan at the last minute. However, the President's absence, in a way, underscored the United States' importance in APEC.

During the past two years, the United States' arbitrary manner of pushing for APEC's institutionalization to make APEC work for trade liberalization has been strongly opposed. Partly because of this, the U.S. representative is reported to have been very quiet at the Osaka forum. On top of this, President Clinton's absence gave rise to complaints about the Clinton administration's contempt of Asia and abandonment of leadership in APEC. Some concerns about a weakening of APEC unity have also been expressed.

A Japan Open to Asia

While the United States' arbitrary attitude is unwelcome, a weak presence is also undesirable — this idea reflects the dilemma of the Asian countries, which still rely greatly on the United States for regional security and as a market for their exports, in their attitude toward the United States. The U.S. policy on Asia is also inconsistent. APEC is important for the two sides to build a stable and constructive relationship.

Regarding Japan's role, its "leadership," as host of the Osaka forum, was frequently questioned. If the minimum requirement for the Osaka conference to succeed was positive efforts to give substance to the Bogor Declaration, and maintenance of the political will to move forward, the Osaka forum was, at least, not a failure.

However, perhaps the more important thing would have been for Japan to declare at the APEC Osaka meeting that it intends to undertake thoroughgoing deregulation and opening of the Japanese market, and that such is the position of a Japan open to Asia and the Pacific.

Yet, the issue of agricultural products was the first topic that caused an impasse. From this, it would seem that this was too much to ask from Japan. However, APEC is not only important for Japan during the year it is acting as host country. Japan should play an active role, in particular, in formulating the action program for liberalization to be submitted to the APEC conference in the Philippines next year.

Article on Gap With U.S. on Security Statement

OW2311124795 Tokyo YOMIURI SHIMBUN in Japanese 21 Nov 95 Morning Edition p 2

[FBIS Translated Text] Following the cancellation of President Clinton's visit to Japan, it became apparent on 20 November that there is a subtle difference of understanding between high officials of the Japanese and the U.S. Governments over a joint statement for the reconfirmation of Japan-U.S. security arrangements, which both governments are still unable to announce.

Stating that the importance of the Japan-U.S. Security Treaty was reconfirmed by Prime Minister Murayama and Vice President Gore at a meeting held on the evening of 19 November, the United States has begun to think that the joint statement, scheduled to be announced after the summit meeting, is no longer an "essential one," (according to Assistant Secretary of Defense Joseph Nye). On the other hand, the Japanese side is persistently assuming the stand of attaching importance to a statement of when the president will come to Japan.

On 20 November, after the first session of the "special action committee on U.S. military bases on Okinawa," Assistant Secretary of Defense Nye answered questions posed by YOMIURI SHIMBUN. On the reconfirmation of Japan-U.S. security arrangements in the post-Cold War era, he said: "It was reconfirmed last night at the meeting between Prime Minister Murayama and Vice President Gore. The special action committee was also formed and we have started to buckle down on the Okinawan issue." In this way he clarified his understanding that reconfirmation of the security arrangements was already made and the committee has actually moved to the next step.

Mr. Nye will not be able to witness the announcement of the joint statement, which he characterized as the final work of the reconfirmation process, even if the president visits Japan as soon as early next year, because he will retire on 15 December and return to his old haunt, Harvard University, as the dean of a graduate school. It seems that another reason he made the aforesaid comments is that he wanted the Murayama-Gore meeting to bring the series of works, called the Nye initiative, for reconstruction of Japan-U.S. ties to an end for the time being.

Editorial on Need To Reshape Ties With U.S.

OW2211135595 Tokyo ASAHI SHIMBUN in Japanese 20 Nov 95 Morning Edition p 5

[Editorial: Things That Should Be Done Before Japan-U.S. Summit]

[FBIS Translated Text] A meeting between Prime Minister Murayama and U.S. Vice President Gore ended. At the meeting, significance of the continued maintenance of Japan-U.S. security arrangements was confirmed, to ensure stability in the Asia-Pacific region, and both governments agreed to actively buckle down on the issue of military bases on Okinawa. This represents both governments' assiduous representation in line with a scenario planned for a Murayama-Clinton meeting and an attempt not to worsen damages caused by the suspension of Japan-U.S. summit talks.

Japanese officials, including Prime Minister Murayama himself, might have wanted to give an impression to the people in Okinawa that there was no change in the government's intention to buckle down on the base issue. Moreover, it is certain that they also wanted to avoid any changes to the timetable for drawing up a new defense program outline, which the government was planning to start after reconfirming at the summit talks the need to maintain the security arrangements.

Now that the post-Cold War Japan-U.S. security system is a target of wide ranging discussions, cancellation of the Japan-U.S. summit talks, where the security system was scheduled to be taken up for discussion, is not insignificant. Unlike before, the existence of Japan-U.S. relations was not felt so much even at the Asia-Pacific Economic Cooperation (APEC) Osaka forum, where there was a strong tinge of Asian leadership.

What we need now is not tentative stopgap measures over the security arrangements but to clarify common interests to both countries and to agree how we can cooperate with each other for mutual benefit. Is it not true that we have to exert efforts to put overall Japan-U.S. relations back on a foundation of unshakable trust?

Various problems burst out one after another between Japan and the United States on this 50th anniversary following the war.

One of the problems is that the public opinion was sharp over whether or not the act of dropping atomic bombs on Hiroshima and Nagasaki can be justified. The fact is that both countries, which are allies, neglected to exert efforts to share common understanding on assessment of the Pacific war and on whether it is right or wrong to use nuclear weapons, which is related to the essence of the "nuclear umbrella" issue.

Dragging in the World Trade Organization (WTO), the auto negotiations, which created controversies over the "numerical target," developed into an emotional debate between the two governments. They settled the issue at the last moment by devising vague agreements. However, the myth that economic issues between allies does not develop into serious problems collapsed.

One of the aims of "redefining" the security arrangements, which the Clinton administration promotes, is to tighten once again the Japan-U.S. relations following the demise of the Cold War, which acted as a hoop to both countries. During its process, however, contradictions of the security arrangements, including concentration of military bases in Okinawa, burst out all at once.

The biggest reason for it was that both countries, Japan in particular, were badly lacking in candidly telling each other their views as to what kind of roles they should play for global peace and prosperity in the post-Cold War era.

To the U.S. Government, "redefinition" of the security arrangements meant promotion of joint works while exchanging opinions with the Japanese Government. Nevertheless, the Japanese Government was lacking the stance of studying the issue together with its people. Consequently, the Japanese Government's actions are out of focus; therefore, the United States is increasingly distrustful of Japan.

If such mistakes are repeated, we are certain that trust between Japan and the United States will collapse from its foundation.

It is likely that President Clinton will visit Japan in January of next year. Why doesn't the prime minister personally aim at "redefining" the overall context of Japan-U.S relations by then?

A clue is that Japan should take the lead in promoting reorganization and reduction of the military bases on Okinawa at a consultative body, whose formation was approved at a meeting between the prime minister and Vice President Gore. From there, discussions can be expanded to the issue of roles both countries can play in mapping out the future shape of security arrangements and maintaining regional security. Long-term targets for improvement of economic relations are also indispensable.

Some close associates of the prime minister are welcoming the suspension of the Japan-U.S. summit talks, saying that it is an event [dekigoto] that can be useful for prolonging the life of the Murayama administration. But Japan-U.S. relations are neither stable or certain enough to allow officials to assume such an optimistic stand.

U.S.-Japan Asian Market Competition Cited

952A0676A Tokyo SENTAKU in Japanese Jul 95 pp 90-93

[Article by unidentified author: "The 'Japan-U.S. Struggle for the Asian Market' Becomes Acute—the 'Auto Issue,' Too, Is Part of the Struggle"]

[FBIS Translated Text] According to Defense Assistant Secretary Joseph Nye, President Clinton himself is comparing Japanese-U.S. relations to a three-legged chair. The three legs are economics, politics, and security, and if any of them breaks, the chair named Japanese-U.S. relations will go down. Japanese-U.S. mutual distrust brought forth by automobile friction shows point-blank the fragility of Japanese-U.S. relations.

There are many disturbing factors in mending relations such as the lack of political leadership on the part of Japan; however, the real truth of this crisis can be found in the fact that economic friction has turned into the so-called ideological confrontation in which U.S.-style capitalism denies Japanese-style capitalism. The U.S. way of thinking in its economic strategy toward Japan is getting acute because the Asian market is making a particularly notable growth, and there is a strong view within the Clinton administration that the automobile dispute, in effect, marks its first step toward checking Japan's rule over the Asian market.

Within the Japanese Government, too, are seen moves toward a theoretical confrontation with the United States: Deputy Vice Minister for Foreign Affairs Kazuo Ogura seeks for Japan to stand on its own, independent of the United States; the Finance Ministry's International Finance Bureau Director Eisuke Sakakibara is openly arguing for the justness of the Japanese-style system; and medium-standing officials forming an anti-U.S. pro-Asian force are gaining ground in the Ministry of International Trade and Industry [MITI].

However, the issue has already passed beyond the bounds of consultations and arguments and is now snowballing of its own accord. There is no doubt that the United States which is conscious of Asia will radicalize its containment strategy against Japan, a "heretic nation." Timed with the beginning of a public hearing of the Office of the U.S. Trade Representative on 8 June with regard to imposing tariffs on Japanese cars as a sanction measure, another important meeting was opened in Washington on the same day. Chief executive officers of large enterprises gathered at a request made by U.S. Trade Representative Kantor in compliance with President Clinton's desire. Meeting there were those representing enterprises such as AT&T's Robert Allen, Eastman Kodak's George Fisher, and Texas Instruments (TI)'s Jerry Junkins. Attendants also included the Democratic Party's free trade advocate and former International Trade Commission Chairman Paula Stern, and, from the community of labor, Rudy Oswald, an AFL-CIO committee chairman. Each of them is a member of the Advisory Committee for Trade Policy and Negotiations (ACTPN), a consultative organ for the Office of the Trade Representative. All of the members unanimously supported Clinton's policy of applying car sanctions against Japan.

Why Do They Resort to Tough Policy Toward Japan?

AT&T demanded that Japan open its telecommunications market, and Kodak brought a case before the Office of the U.S. Trade Representative for exclusive practices by Japan's photographic film circulation market. TI strived to raise its share in Japan's semiconductor market and filed a suit against Japan's business circles over the patent issue. Trade Representative Kantor appealed to them for support on the automobile issue in return for the Clinton administration's considerable achievements in these negotiations. At this gathering, National Association of Manufacturers (NAM) President Jerry Jasinowski denounced Japan and took the lead in the debate by saying that "Japanese-U.S. trade relations are the most one-sided commercial relations in history."

What is the position of the Congress dominated by Republican conservatives? House Speaker Newt Gingrich avoids going into this subject in depth. Sources around him explain that "he is critical at heart, but seems unwilling to express his view for the time being." Gingrich is inwardly burning with a desire to run in the next presidential election, but he has reportedly judged that "offering criticism on the Japan question will have a minus effect if I do that at present." The Congress supported Clinton's tough policy toward Japan by an overwhelming majority. Clinton is displaying his leadership as long as the Japan question is concerned—the only area in which he is doing so in his foreign policies.

What worries Japan is a change taking place deep inside the historic tide of the U.S. policy toward Japan rather than things occurring on the surface of the Washington politics.

Is the current so-called Japanese-U.S. friction merely an issue in an individual field called "automobile" and, so to speak, a transitory one-time affair? And will Japanese-U.S. relations be retrieved when the Clinton administration comes to an end? In order to answer these questions, a fundamental question should first be solved. It is the question of why the United States employs a tough policy toward Japan on the automobile issue despite its knowledge that doing so will internationally be criticized as an act against the WTO [World Trade Organization] rules and also endanger Japanese-U.S. relations.

The most common sensible answer is found in Clinton's election strategy, which, with an eye toward next year's presidential election seeks to meet his wish to stand at advantage in the midwest automobile states such as Michigan, Ohio, and Missouri where the fight with the Republican Party was always close. Trade Representative Kantor is originally an electioneering professional. In fact, for Clinton's reelection Trade Representative Kantor is making a reckless dash toward sanctions against Japan so as to collect votes in automobile states. From the inside of the Clinton administration as well, is coming a voice saying that "as a matter of fact, in March Kantor already decided to apply sanctions against Japan." Kantor aims to become chairman of the Clinton Reelection Committee and is trying to earn scores in good time.

However, it is feared that he will miss the real substance if he ties all things to the election strategy.

Shoring Up Clinton Are His Patrons of Jewish Origin

First Lady Hillary, the most influential person behind the scenes in the Clinton administration, reportedly disparaged Kantor before the Halifax summit meeting of advanced countries. The reason is that he instigated the President, her husband, on the issue of sanctions against Japan and "isolated the President in the international community." She even went so far as to assert that "we cannot entrust the election advisory job to a man like you who has a narrow field of vision."

Since then, Kantor has scarcely appeared on public scenes such as press conferences, and Ira Shapiro, general legal counsel for the Office of the Trade Representative, is exclusively attending to inquiries as to car sanctions against Japan in interviews and Congressional public hearings.

A leading MITI official says: "Kantor perhaps thought that Japan would easily give in if a tough policy is employed against Japan; however, on our side, the MITI, the Foreign Ministry, and the Finance Ministry are now in monolithic unity.

There will never be a concession from our side." The MITI became aware of restlessness within the Clinton administration before the summit meeting. However, it is premature to think that Clinton will ease his policy toward Japan. What was it that Hillary called into question with regard to Kantor? It was related to the Clinton administration and U.S. basic postwar diplomatic policy, that is, "internationalism." The Clinton administration takes pride in being the first government inaugurated after the ending of the Cold War, and if there is an ideology shoring up the administration as such, it is internationalism opposed to isolationism. Internationalism is an ideology objecting to protectionism. Internationalism represents a strategy which attaches importance to U.S. leadership in the order of the world and its commitment to international organizations.

It is Clinton's patrons of Jewish origin that are shoring up internationalism of his administration. An elder of the Jewish community in California who knows Trade Representative Kantor and Chairwoman Tyson well says: "Clinton has many Jewish friends. To make up for his lack of an international sense, he has picked many experts from us the people of Jewish origin."

Internationalism as perceived by the Jewish community particularly attaches weight to international organizations such as the WTO, the World Bank, and the IMF (International Monetary Fund). Occupying the World Bank's presidency and the top management of the World Bank and the IMF are people of Jewish extraction. The elder says that "this is because we like the international community to be stabilized before everything else." Economic, trade, and financial fields are filled up with Clinton's patrons who are Jewish.

Among them are Treasury Secretary Rubin; Treasury Under Secretary Summers; Tyson, chairwoman of the Economic Council for the President; U.S. Trade Representative Kantor; Shapiro, counsel for the Office of the Trade Representative; Commerce Under Secretary Garten; and Magaziner, adviser to the President. Defining the economy and the trade as two policy domains to be given the highest priority, the Clinton administration has kept attaching importance to negotiations with Japan in parallel with the conclusions and ratifications of the North American Free Trade Agreement (NAFTA) and the accord on the WTO and with the consolidation of the APEC (Asia Pacific Economic Cooperation). The Clinton administration has also defined it as part of internationalism to open the Japanese market even by going so far as to ask Japan to set numerical targets. A Jew of Lithuanian decent, Trade Representative Kantor is also intimate with Leon Brittan, an official in charge of trade in the European Union (EU) who is also a Jew of Lithuanian decent. However, Brittan has openly criticized that the way Kantor is handling things runs against the WTO's principles. Within the Clinton administration as well, Treasury Secretary Rubin, who shows a particularly strong attachment to internationalism, reportedly values the WTO and is critical of Kantor's arbitrary acts.

Kantor has stumbled in his handling of the Japan question and is even being criticized that he has breached WTO rules. When First Lady Hillary, who installed Kantor as the U.S. trade representative, sacks him, it will reflect a strong disappointment of the Jewish-dominated international community at Kantor.

Such a strife within the Clinton administration represents a soul-searching over Kantor's methods deviating from a line called internationalism, particularly his tactics overly conscious of the Presidential election in the immediate future; however, the strife does not mean that the United States will retract its request to Japan for numerical targets and withdraw its own tough position against Japan. Of all occasions, on the same date [as printed], THE WALL STREET JOURNAL which is conservative and most critical of the Clinton administration announced the result of a public poll showing that 72 percent of people in the U.S. supported Clinton's tough policy toward Japan. Clinton has already achieved a great deal in terms of domestic politics.

Going All Out To Form Encircling Net Against Japan

What is annoying to Japan is the U.S. move to use the recent WTO rule issue as a chance to step up a campaign to underline "how Japan differs from others in the international economic society and so must be excluded from the society." Annoying to Japan is the U.S. preparation of the worst scenario for Japan based on the notion that "if Japan continues to record surpluses, it must be isolated and contained." At a public hearing of the Senate Foreign Relations Committee on 13 June, the committee's Chairman Helms asked "if there is no fear of being subjected to a countersanction from Japan over farm products."

Shapiro, legal counsel for the Office of the U.S. Trade Representative, after being a bit at a loss for an answer, unconsciously revealed his real intention, saying:" I would like to add a few more words about a thing at this point. It is the fact that many other countries, particularly those in Asia, are thinking of following the Japanese model for their development. The Japanese model will have an extremely serious effect on the future of the U.S. economy. Therefore, I think it important to show that we can open up the Japanese market."

In effect, he is making the following argument: When the Japanese-type economic structure spreads to Asia, the United States will be shut out from the Asian market. Before things develop this way, he would like to see the United States change the Japanese market into one that features the U.S. type of import and the consumer-oriented economy. It serves the interests of the United States not to let the Japanese model spread to Asia. This is purely the Japan-differs-from-other-countries theory [termed "revisionism on Japan" in the United States]. The 8 June issue of THE WALL STREET JOURNAL carried a special feature entitled "U.S. 'Revisionists' on Japan Get Their Way in Washington's Japan Policy."

Adviser Shapiro particularly takes issue with *keiretsu*. In his analysis, he says that "*keirestsu* has been the very heart of Japan's outstanding growth in the past 30 years, and it is shutting out the products of competitive foreign manufacturers standing outside *keiretsu*." He emphasized that this was why only extraordinary measures could be taken against Japan.

A little before Shapiro's remarks, Trade Representative Kantor testified as follows as to the ROK market: "Trade barriers of the ROK have a close resemblance to those of Japan 15 years ago. U.S. exporters have continuously been harassed by incomprehensible and endless regulations and still remain unable to participate in the market there." This testimony also represents the concern of the U.S. industrial circle that the United States is being shut out from the ROK as a result of the latter's imitation of the Japanese model.

The task to which the Clinton administration is now lending its utmost effort is to build a joint front against Japan in both Europe and Asia. It is, in other words, the formation of an encircling net against Japan.

Whenever occasion arises, Commerce Under Secretary Garten urges key figures in Europe that "the United States and Europe must cooperate in order to rectify Japan's unfair market practices." State Secretary Christopher is advocating a plan for the Atlantic Free Trade Zone by the United States and the EU. In response, the European side is withholding its position. It intends to weigh the United States and Japan in the balance and draw favorable conditions from Japan by capitalizing on tough U.S. proposals. With Kantor's blunder on top of that, the Clinton administration's scheme has been fizzling out for the time being.

The U.S. side is continuing its campaign to publicize that "Asia, too, is suffering damages from the closed nature of the Japanese market." The tenacious campaign has been repeated through the mobilization of diplomatic missions abroad and the Central Intelligence Agency (CIA) since a year ago when Japan-U.S. Economic Frame Talks were not quite smooth. In response, the MITI has dispatched key figures to various Asian nations to have them go around and explain that "the U.S. target after Japan will be Asia." The competition to win over Asia has already begun between Japan and the United States.

The Malaysian Government sharply opposed to the United States over the EAEC (East Asia Economic Caucus) plan has become strongly critical of the closed nature of the Japanese market. Criticizing Japan in July 1994, the Malaysian International Trade and Industry Ministry cited the following six items as indicators of Japan's closed nature: 1) Enterprises' exclusionist practices; 2) Opaque relations between the government and the private sector and various government regulations; 3) restrictions on the import of vegetables and fruits; 4) a lack of protection for intellectual property; 5) foreign exchange control, and relations among private enterprises and discriminatory bureaucratic regulations which both restrict direct foreign investments in Japan; and 6) limits to the participation in the insurance market. Many of these items reflect the results of a U.S. survey as they are, indicating a gradual infiltration of the U.S. influences.

The impetuous line of sanctions pursued by the United States is keying up alertness in Asia, and the situation there is now changing little by little despite the overwhelming number of countries supporing Japan's position in Asia.

Is This Beginning of Catastrophe in Japan-U.S. Relations?

The White House has named Mr. John Malott, an expert on Japan and senior adviser to the state under secretary for economic affairs, to serve as next Malaysian ambassador. This appointment represents a diplomatic offensive assumed with Japan in mind.

Revisionists on Japan have recently begun a fairly elaborate analysis of Japan by turning their eyes to Asia. University of California at Berkeley, which has received Chalmers Johnson, a typical revisionist on Japan, as director of its Japan Research Institute, is now regarded as a hotbed of revisionism on Japan. The university's Berkeley Roundtable on the International Economy (BRIE) has made a thorough investigation to disclose that Japan's Asian production networks for home electric appliances and cars have an exclusionist character through *keiretsu* relations. In fact, concerning the current auto parts procurement dispute as well, Toyota, Nissan, and other companies cannot afford to increase the use of U.S.-made parts because they have plans to reduce cost by making procurement from Asia-based Japanese parts makers.

In short, the U.S. side uses caution against such an act, regarding it as a move to Asianize Japan's practices of a closed nature and to exclude the United States. The Japanese side considers it a reasonable self-help effort for maintaining competitiveness. There is no way of filling up the gap between the two.

Commerce Under Secretary Garten predicts that "in case Japan and the United States stand against each other on the Asian market, the problem will assume far more serious proportions than the issue over the Japanese market."

Defense Assistant Secretary Nye stresses that the Japan-U.S. security system and the presence of U.S. troops are necessary for the stability of East Asia and serve the interests of the two countries.

However, in case the system of the Japanese type, which denies the entry of U.S. products and U.S. enterprises, spreads to Asia, it will run against the interest of the United States to defend Japan even by taking up military burdens. Concerning U.S. forces stationed in Japan, Defense Assistant Secretary Nye also says that "we will immediately withdraw them if the Japanese side wants it," thereby partly admitting that the United States does not think that it should stick to the Japan-U.S. security system.

The application of revisionism on Japan to Asia instantly means the abrogation of the Japan-U.S. security system. The theory on dissolving the Japan-U.S. security system put forward in Professor Chalmers Johnson's contribution to "Foreign Affairs" has a considerable flavor of reality.

If the United States falls into isolationism, protectionism will be strengthened, and Japan will be excluded. Even if the United States abides by the internationalistic policy line, it will attempt to infiltrate revisionism on Japan into Asia and contain the Japanese-type economic system. In case of a failure in this attempt, the Japan-U.S. security system will dissolve, and Japan-U.S. relations will be stuck in the mud. Whether a compromise is effected temporarily or sanctions are implemented actually, the automobile issue foretells the beginning of a catastrophe in Japan-U.S. relations from a mid- and long-term viewpoint. Let us suppose that there have been changes of governments in both Japan and the United States and that political decisions have newly been made by top-level Japanese and U.S. leaders to avoid the mutual catastrophe. Yet Japan's economic tide characterized by its high regard for Asia and moves to dominate market shares in Asia cannot be changed. The United States, too, can hardly permit itself to be inferior in strength in Asia. Will the history of the Japan-U.S. struggle for the Asian market repeat?

Tokyo To Recognize Bosnia-Herzegovina

OW2311110595 Tokyo NIHON KEIZAI SHIMBUN in Japanese 23 Nov 95 Morning Edition p 2

[FBIS Translated Text] On 22 November, the government announced its decision to shortly recognize Bosnia-Herzegovina as a state following the agreement by the three warring parties on a comprehensive peace plan. Currently, the Japanese Government has not extended formal recognition. Soon after a new central government is established in Bosnia-Herzegovina, Japan will recognize the republic and the new government. Tokyo will then study in earnest extending aid to help the war-torn country reconstruct itself.

The government plans to dispatch Foreign Minister Yohei Kono to either the Bosnia peace talks (for the formal signing of peace agreement documents) slated for mid-December in Paris, or the Bosnia peace plan implementation conference (to discuss restoration aid and other issues) to be held in London in late December. To impress other countries with its active contributions to the international community, Tokyo will participate in efforts to rehabilitate Bosnia from the stage of drawing up a restoration plan.

Top Officials Indicate Cooperation

OW2411051195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 22 Nov 95 Evening Edition p 2

[FBIS Translated Text] The government has given high appraisal to the Bosnian peace accord. In the morning of 22 November, Foreign Minister Yohei Kono made informal comments on the peace accord, saying: "We sincerely welcome it." He added: "Our country, for its part, will actively cooperate in international efforts to help Former Yugoslavia from now on." Prime Minister Tomiichi Murayama told reporters: "I am glad. The people are very much opposed to war."

In his remarks, Kono stressed: "There is great significance in the fact that this time the peace accord was achieved through international cooperation."

Panel Unveils Plan for More Active World Role

OW2411081695 Tokyo KYODO in English 0506 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — A subcommittee of a key governmental advisory panel unveiled a "grand design" Friday [24 November] for Japan to take a more active role in the international community in the coming years, with an emphasis on making its economy more open and harmonious with other economies.

It said differences in systems among the world's economies, and taking a balance between economic development and environmental conservation have both become more notable problems than ever before.

Under such circumstances, Japan as a developed country should change its economic system to one that is more open. Also, the country should more actively participate in helping developing economies and creating new trade and investment rules for the world, it said.

For Japan itself, it suggested that the nation needs to further improve foreign access to its markets, to aim at balanced economic expansion through domestic structural reforms.

In the international community, it said, Japan should work more actively on ensuring macroeconomic cooperation around the world. In that respect, the nation should create an international consensus that restoring balanced macroeconomic policies — for example reducing the large current-account surplus with the United States — are vital for the world economy, it said.

The subcommittee is a team of the economic council, an advisory panel to the prime minister.

The suggestions will be included in the council's new economic program which lays down the economic framework for the nation for fiscal 1995 to 2000. The program is scheduled to be submitted to Prime Minister Tomiichi Murayama next Wednesday.

Among other specific areas, the subcommittee said Japan should make its society more comfortable for foreigners by accepting different cultures more and by providing further public services necessary for foreigners.

The recent unstable situation in the Japanese financial system should be corrected as soon as possible. Economic cooperation in the Asia-Pacific area is also vital in line with the recent agreement in the Asia-Pacific Economic Cooperation forum, it urged.

BOJ To Follow U.S. Lead in Bankruptcy Mechanism

*OW2211130295 Tokyo KYODO in English
1116 GMT 22 Nov 95*

[FBIS Transcribed Text] Tokyo, Nov. 22 KYODO — The Finance Ministry and the Bank of Japan [BOJ] announced Wednesday [22 November] a plan to set up Japan's version of the U.S. Resolution Trust Corp. (RTC) for the disposal of the bankrupt Kizu Credit Union.

The ministry and the BOJ judged it impossible to write off 960 billion yen of losses stemming from a huge amount of bad loans under the current deposit insurance system, banking sources said.

The estimated losses, unveiled after the Osaka Government's inspection of the Osaka credit union following its bankruptcy at the end of August, were larger than the originally estimated 600 billion yen, the ministry and the BOJ said.

They said Tokyo Kyodou Bank, a vehicle created in January this year to take over operations of two other failed credit unions, will be reorganized into the Japanese version of the RTC.

The reformed Tokyo Kyodou Bank will play the role of the RTC on a provisional basis to deal with financial failures over the coming five years, the Finance Ministry said.

Yoshimasa Nishimura, director general of the ministry's Banking Bureau, said at a news conference, "under the present deposit insurance system, it is difficult to dispose of the unprecedentedly huge amount of irrecoverable loans, such as at Kizu Credit, without asking for financial sharing by depositors."

The ministry will submit a bill to convert Tokyo Kyodou Bank into the Japanese RTC to the next ordinary session of the Diet early next year, and begin transfer of Kizu's operations to the new organ as soon as possible after parliamentary endorsement, Nishimura said.

Kizu went bust at the end of August following an order by the Osaka Prefectural Government, its supervisor, to stop operations except for deposit withdrawals.

The RTC was set up by the U.S. Government in 1989 to dispose of real estate and other property that fell into government custody after the collapse of savings and loans in the late 1980s.

Tokyo Kyodou Bank was created by the BOJ and major private banks to rescue the two credit unions saddled with huge bad loans — Tokyo Kyowa Credit Association and Anzen Credit Bank.

The Finance Ministry and the Bank of Japan underscored the need for Deposit Insurance Corp. to make maximum financial assistance in the scheme to liquidate Kizu Credit, the largest credit union in Japan.

Even legally maximum payments under the deposit insurance system, though, could not fully cover the estimated losses at Kizu which are "unprecedentedly huge," the ministry said in a statement.

Under the deposit insurance system, member financial institutions are required to put up a certain amount of insurance premiums to be used in the event of bankruptcy.

Under the system, each individual depositor is entitled to receiving payments of up to 10 million yen.

The ministry said the loan losses at Kizu Credit were larger than originally projected, reflecting a further decline in prices of real estate property put up as collateral for problem loans, and because additional loans have gone sour.

Besides the 960 billion yen in loans deemed irrecoverable, Kizu has recoverable loans of around 230 billion yen.

As its total assets are about 1.31 trillion yen, Kizu's healthy loans will amount to only 120 billion yen, or about 10 percent of the assets, the ministry said, describing the financial standing as "abnormal."

Nishimura said Kizu's financial plight is more than can be handled by the Osaka Government, the supervisor of Kizu.

Nishimura said 80 billion yen is needed to set up and run the Japanese version of the RTC. As a result, a total of 1.04 trillion yen — 80 billion yen for the RTC and the 960 billion yen for loan write-offs — is required in the latest scheme.

He said Deposit Insurance Corp. will offer a legally maximum 500 billion yen to partially cover the sum.

Even after dipping into Kizu's net capital of 40 billion yen, however, there would still be a shortage of some 500 billion yen, he said.

To make up for that, the ministry will consider collecting additional deposit insurance premiums from member financial institutions, he said.

Nishimura also said the ministry will ask for shared financial burden by some major commercial banks, such as Sanwa Bank, with close business relationships with Kizu through the introduction of depositors.

The Osaka Government will also be requested to play a role in the scheme, Nishimura said.

Finance Minister Masayoshi Takemura ruled out the possibility of injecting money from state coffers into the Kizu disposal scheme.

"In this case, we won't consider using the government's funds," Takemura told a press conference.

Sanwa and other banks introduced Kizu's large-lot time deposits to corporate clients apparently as a way to win an order for lead-managing the issuance of corporate bonds.

Deposits made via Sanwa's introduction are said to have represented around 35 percent of all deposits at the credit union during a peak in 1990.

Takemura said there is a possibility that public money will be injected, however, into a special fund likely to be proposed by the Financial System Research Council, his advisory body, to supplement Deposit Insurance Corp.'s resources.

Deposit Insurance Corp., set up in 1971, currently collects premiums at the annual rate of 0.012 percent from Japanese financial institutions to guarantee deposits in case of financial failures.

Because its reserves are likely to run dry soon because of the recent series of such failures, the panel has studied the possibility of introducing a provisional system to collect extra premiums.

For the liquidation of Kizu, Nishimura stressed the need for asking its former management to take responsibility over the financial mess.

To that end, Kizu's new management has called upon former President Minoru Kagiya and other former executives to offer as much private property as possible, while considering filing a criminal suit against them, he said.

Until the new entity takes over operations, Kizu is required to make every effort to collect loans to reduce its losses, as well as continued restructuring efforts, Nishimura said.

The Bank of Japan will provide Kizu with necessary bridging funds until the transfer of the operations, he said.

According to Kizu, the credit union plans to reduce the number of its outlets to five next January and one by September next year from the present 27, Nishimura said.

The number of employees will be also cut to about 140 next January from the current 690, he said.

Expressing regret for the huge losses at Kizu, Finance Minister Takemura admitted the responsibility of the banking administration.

"There are many things we have to reflect on...[ellipses as received] I'm wondering why the administration could not detect the aggravation of Kizu's financial conditions to take appropriate action," Takemura said.

Bank: Role in Kizu Case Hinges on MOF Request

*OW2211132495 Tokyo KYODO in English
1202 GMT 22 Nov 95*

[FBIS Transcribed Text] Tokyo, Nov. 22 KYODO — Sanwa Bank will consider providing "due cooperation" in disposing of the failed Kizu Credit Union if the Ministry of Finance (MOF) makes a formal request, a vice president of the major commercial bank said Wednesday [22 November].

Junichiro Kojima said at a press conference that financial support is needed for the maintenance of "regional credit and order," adding that Sanwa has received an informal MOF request for support.

Sanwa has close ties with Kizu through recommending corporate depositors to the Osaka-based credit union, with their deposits peaking at more than 300 billion yen. As such recommended deposits are alleged to have caused an increase in Kizu's bad loans and eventually its failure, the Osaka Prefectural Government, which supervises credit unions in Osaka, asked Sanwa to cooperate in the disposal of Kizu.

Although Sanwa initially turned down the request, the bank has changed its stance because the MOF and other parties concerned have come to understand that it was not involved in Kizu's failure, Kojima said.

In addition, Sanwa is also based in Osaka and has established close ties with Kizu through the recommendation of depositors and exchange of personnel, Kojima said.

With regard to the means of cooperation, Kojima said it will focus on such financial support as low-interest loans to a vehicle to take over Kizu's operations.

Referring to a Bank of Japan executive's statement that Kizu's bankruptcy is linked to recommended deposits, Kojima stressed that Sanwa will refuse to provide support if it is blamed for the business failure.

Major commercial banks often recommend their corporate clients to issue commercial paper and deposit raised funds with credit unions that paid unusually high interest rates. The banks profited by underwriting the paper.

Like Sanwa, Tokai Bank and the Long-Term Credit Bank of Japan (LTCB) introduced depositors to Kizu.

But Tokai and LTCB officials said Wednesday the banks will not provide financial support for Kizu's disposal, denying that their recommended deposits led to the credit union's failure.

Fuji Bank To 'Go Into Red' on Loss Write-Offs

OW2411101095 Tokyo KYODO in English
0935 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Fuji Bank said Friday [24 November] it will go into the red in fiscal 1995, ending March 31, due to write-offs of bad loans.

The Tokyo-based commercial bank said its unconsolidated pretax loss for the year is estimated at 440.00 billion yen, compared with a pretax profit of 38.11 billion yen in the previous year.

The net loss will amount to 400.00 billion yen or 138.06 yen per share, the bank's business outlook showed. Fuji, one of Japan's 11 major commercial banks, scored a net profit of 34.33 billion yen in the previous year.

Operating revenues for fiscal 1995 are projected at 2.80 trillion yen, up from 2.87 trillion yen.

Fuji wrote off 223.8 billion yen of bad loans in the first half of fiscal 1995, leaving 1,239.5 billion yen in the outstanding balance of such loans at the end of September.

For the six months to Sept. 30, the bank reported a pretax profit of 18.69 billion yen, up 24.6 percent over the same period of last year, on operating revenues of 1,444.86 billion yen, up 11.4 percent.

The company said its half-year net profit gained 17.5 percent to 15.33 billion yen.

The bank said it will cut its interim dividend to 3.25 yen per share from last year's 4.25 yen.

Tokai Refuses To Cooperate in Liquidating Kizu

OW2411103395 Tokyo KYODO in English
1007 GMT 24 Nov 95

[FBIS Transcribed Text] Nagoya, Nov. 24 KYODO — Tokai Bank on Friday [24 November] refused to cooperate in a scheme to liquidate the bankrupt Kizu Credit Union of Osaka.

Satoru Nishigaki, president of the Nagoya-based bank, made the remark when asked to comment on a decision by Sanwa Bank to participate in a scheme to dispose of Kizu.

He said Tokai Bank helped to arrange for corporate deposits at Kizu but the amount of such recommended deposits was small and the bank has no intention of taking responsibility for it.

Sanwa, based in Osaka, had close ties with Kizu through recommending corporate customers to make deposits at the credit union.

Takemura Urges Against Liquidating Housing Firms

OW2211133495 Tokyo KYODO in English
1114 GMT 22 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 22 KYODO — Finance Minister Masayoshi Takemura on Wednesday [22 November] expressed a negative view toward the legal liquidation of housing loan companies saddled with a huge amount of bad loans.

"In order to resolve the issue promptly, settling it through negotiations is desirable," Takemura said at a press conference.

On Tuesday, Toru Hashimoto, head of the Federation of Bankers Associations of Japan, acknowledged the possibility of legally liquidating housing loan companies.

Takemura said he knows some are considering the idea of legal liquidation but the government will make efforts to craft a liquidation scheme for such companies within this year by giving priority to negotiations among parties concerned.

Housing loan companies, their founders and agricultural-affiliated financial institutions, the largest creditor of the companies, have set about discussing burden-sharing of losses to be incurred from the liquidation of such companies.

The talks haven't gone far, though, because the farm banks are calling for full responsibility by the founder banks, which maintain that all lenders should bear the cost in proportion to their lending.

MITI Probes Discount Chain After Complaint

OW2311143495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 22 Nov 95 Morning Edition p 1

[FBIS Translated Text] The Ministry of International Trade and Industry [MITI] has launched an emergency investigation into Akachan Honpo for its possible violation of the Large-Scale Retail Stores Law [LSRSL]. Akachan Honpo (with its head office in Osaka and Shoji Ohara as president) is a major cash wholesale store with a nationwide chain of wholesale clubs (discount member retailers). Toys 'R' Us, a U.S. chain store in Japan, has filed a complaint to MITI, stating that "Akachan Honpo is virtually a large-scale retail store, but it is registered as a wholesaler," and that "evading the LSRSL regulations, it has engaged in year-round business operation." Since the U.S. Government has indicated its strong concerns, MITI has decided that this case may possibly become a source for Japan-U.S. friction. A report on the results of the investigation, including measures to be taken, will be provided to the U.S. side in December.

The new wholesale club, a system originated in the United States, adopts a membership system and is engaged in selling goods to designated retailers at a discount. It has been pointed out that such stores are virtually equal to Japanese discount stores that sell goods to common consumers. However, this new system is not mentioned in the existing LSRSL.

Akachan Honpo, which has about 70 chain stores nationwide, is a large-scale store selling clothing, toys, and other baby goods to member retailers. At the entrance and at other locations of the store, signs are put up to clearly indicate that it is a wholesale store that adopts a membership system. However, since anyone can become a member by paying 2,000 yen, many common consumers use the stores.

According to the LSRSL, those businessmen who plan to open up a large-scale retail store exceeding a certain scale must submit reports to MITI first, and the store will be subject to certain regulations such as a limit on the number of business days. Moreover, they may be asked to reduce the floor space of the store based on recommendations of the LSRSL Advisory Council. However, those wholesale stores specialized in selling goods to retailers are not covered by this law.

In its complaint to MITI, Toys 'R' Us maintains that Akachan Honpo is virtually a retail store that is subject to the LSRSL. While their toy stores set up in Japan are asked to close the stores for about 20 days a year, stores connected with Akachan Honpo are engaged in year-round operation. Pointing out this fact in particular, Toys 'R' Us maintains that it is unfair.

If MITI should designate Akachan Honpo as a large-scale retail store, it will be required to submit an application based on the LSRSL, which covers stores with a certain scale. Moreover, stores will be closed while the LSRSL Advisory Council is engaged in studying the application. Reportedly, there are cases in which the studying period may last nearly one year.

At present, there are many wholesales clubs similar to Akachan Honpo throughout the country. If MITI should designate Akachan Honpo as a large-scale retail store covered by the LSRSL, other similar stores will also be affected.

Remarks by Shoji Ohara, President of Akachan Honpo:

MITI has not yet given us any briefing. However, in selling our goods to customers, we first ask them "if they intend to resell goods purchased," and then we sell them goods. If they intend to resell them, they can be regarded as retailers. Thus, it is quite apparent that we are wholesalers, not retailers. The only subsidiary store engaged in retail sales is the G.L.O. [name as transliterated]. But this store has already started its application process based on the LSRSL.

Hashimoto Says Tokyo To Follow Own Retail Law

OW2411024095 Tokyo KYODO in English 0159 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Trade Minister Ryutaro Hashimoto said Friday [24 November] that Japan will stick to its own schedule on revising the large-scale retail stores law, when asked about a U.S. request for Tokyo to scrap the controversial law by 2000.

"Japan has already clarified its policy of reviewing the retail stores law around fiscal 1997," International

Trade and Industry Minister Hashimoto told a news conference.

"There is no change in that policy and its schedule."

Earlier this week, the U.S. Government unveiled a set of deregulatory requests to Japan, featuring a call to end restrictions on the opening of large-scale retail outlets.

Specifically, the United States urged Japan to gradually scrap the restrictions by 2000 and take appropriate steps to prevent local governments from introducing new regulations on large retailers.

At the press conference, Hashimoto said Japan will deal with the planned review of the large-scale retail stores law in line with the changing environments in the nation's distribution industry.

Citing the downtown Tokyo district of Roppongi, where he resides, as an example, Hashimoto said small stores run by individuals have been shutting down more and more while convenience stores have been opening one after another.

The question of what to do with the retail stores law is basically a matter to be decided by consumers, he said.

"And a final decision on the issue should be reached after taking sufficient time," he said.

The review of the large-scale retail stores law is part of a five-year deregulatory package Japan adopted in March this year.

Steps in the package are subject to annual review.

Defense Plan Omits Okinawa Bases, Arms Exports

OW2411054195 Tokyo KYODO in English
0516 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — A high-powered government panel on security Friday [24 November] approved the essentials of Japan's new basic defense program after opting for stronger wording against nuclear weapons than appearing in its final draft outlined by the Defense Agency, government officials said.

While the agency's draft called for a "reduction of the nuclear threat," the National Security Council, headed by Prime Minister Tomiichi Murayama, wants a reference to the "elimination of nuclear weapons" to be incorporated in the new defense plan, the officials said.

However, the council, which groups the foreign and finance ministers, the Defense Agency chief, and the chairman of the National Public Safety Commission, decided to let the defense affairs councils of the three ruling coalition parties work out the exact wording of the passage on nuclear weapons, they said.

The draft document remains subject to final approval by the cabinet. If approved, it will replace a 1976 national defense program mapped out in the Cold War era.

Chief Cabinet Secretary Koken Nosaka confirmed that the government hopes to pass the new defense plan at the next council and cabinet meetings next Tuesday.

In addition to nuclear issues, the document clarifies the role of the Self-Defense Forces in the fight against terrorism.

It also describes military cooperation with the United States under the bilateral security system as important for maintaining peace and security in the Asia-Pacific region, and it endorses preventive diplomacy as a basic policy for avoiding the outbreak of hostilities in world trouble spots.

The council also basically approved the Defense Agency's scheme for a reduction in Self-Defense Forces' front-line strength paired with the introduction of more high-tech weaponry.

Detailed figures for the draft defense program were submitted to the National Security Council last month. These call for a 20 percent cut in the ceiling on Ground Self-Defense Force personnel from the current 180,000 to 145,000.

The ruling coalition — the Liberal Democratic Party, the Social Democratic Party and New Party Sakigake — were to call a meeting of their defense affairs councils later Friday to discuss the defense plan's wording on nuclear weapons and other still controversial points.

However, in informal consultations, the ruling parties have agreed in principle not to mention in the document a reduction in U.S. military bases in Okinawa and not to restate Japan's three principles on exporting weapons, as urged by the SDP.

These points are to be referred to in a statement to be issued by Nosaka, the chief government spokesman, when a final defense plan is announced, coalition sources said.

Ruling Parties Differ in Views on Defense Plan

OW2411114095 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 24 Nov 95 Morning Edition p 2

[FBIS Translated Text] At the cabinet meeting scheduled for 28 November, the government is expected to adopt the new "National Defense Program Outline [NDPO]," and each of the ruling coalition parties have stepped up efforts to persuade the Defense Agency [DA] to reflect the views of each individual party in the new outline. As of 23 November, it has been decided that some of the requests made by various parties, including the Social Democratic Party of Japan [SDPJ], will be announced by the chief cabinet secretary when the final decision is made on the new outline. However, no decision has been made as to whether or not the demand for "banning arms exports," as proposed by New Party Sakigake [Harbinger], should be included in the new outline. Thus, coordination between ruling parties on the one hand and the DA on the other is bound to become more complicated.

Since last June, the government has held six "Security Council of Japan" (chaired by Prime Minister Tomiichi Murayama) sessions to study the new outline's details, which have been worked out to replace the existing NDPO adopted during a 1976 cabinet meeting. In the meantime, all three ruling parties have also worked out separately, their own recommendations on the defense capabilities review. However, during a 21 November Coordination Council on Defense Affairs session, the coalition parties agreed to give up their efforts to work out a unified view since there were great differences among the three parties on several points concerning the future defense policy. As a result, it was decided that each party would hold separate coordination meetings with the DA.

The SDPJ has requested that the following three items be included in the new outline: 1) application of the Japan-U.S. Security Treaty should be limited to the Far East as originally stipulated; 2) nonexercise of the right of collective defense; and 3) realignment and reduction of U.S. military bases on Okinawa. As of 23 November, the coordination meetings had not caused the DA to change its negative position on including these items in concrete terms in the outline, based on the reasons that details to the same effect are already included in the original draft, and they are not in line with the NDPO's nature. Therefore, compromise has been reached on reaffirming the government's original policy by the chief cabinet secretary's statement to be issued upon the adoption of the new outline.y

The draft of the new outline states that to make up for the reduction of the Ground Self-Defense Force's [GSDF] quota, a new system of "reserve reflex force officers [sokuo yobi jiei-kan]," which can be deployed to the front lines, should be set up; but the SDPJ has also requested that this new system be excluded from the draft. Refuting the request, a DA source states: "The major precondition for reducing the GSDF's quota lies in setting up this new system of reserve reflect force officers." Thus, the SDPJ has shifted its policy: It will tolerate the introduction of this system when the decision is going to be made on the new outline; however, in revising the SDF act in the future, the party will focus on setting up this new system of reserve reflex force officers.

In the meantime, New Party Sakigake has strongly maintained that the three principles for regulating the export of arms issued in 1976, as well as the principle "of banning the export of arms" adopted as the government's consensus in 1976, should be clearly stated once again in the new outline. But no decision has been made because the DA is reacting strongly to this request, maintaining that it is not in line with the nature of the NDPO. While the SDPJ approves of Sakigake's request, the LDP is trying hard to dissuade the DA, stating: "If the article on 'banning the export of arms' is included, then it would be better to put off the decision on the new outline," (as stated by a senior leader of the [party's] panel on defense affairs).

Reportedly, the reason the LDP is opposed to the request made by the SDPJ and New Party Sakigake lies in the fact that the Federation of Economic Organizations of Japan [Keidanren] has requested that the ban on arms exports be partially lifted. Keidanren has recently indicated its plan to resume political donations to the LDP. A Keidanren source states: "We hope that export to the United States is approved, and that items to be exported be limited to the parts of arms developed and produced jointly by Japan and the United States.

On 24 November, the ruling coalition parties are scheduled to hold a Coordinative Council on Defense Affairs session to coordinate these issues. However, the talks are bound to be met with difficulties.

Ruling Parties Debate Specifics of Defense Plan

OW2311141195 Tokyo ASAHI SHIMBUN in Japanese 23 Nov 95 Morning Edition p 2

[FBIS Translated Text] On 22 November, the ruling coalition held a defense policy coordination meeting to discuss each party's proposals on the "new defense program outline," which the government has currently drawn up. At the meeting, they agreed that the new defense program should state Japan's efforts to abolish nuclear weapons by saying the nation will make efforts for the "ultimate abolition of nuclear weapons," the expression that goes beyond the "reduction of nuclear arms" used by the Defense Agency in its draft defense program. They also reached a general agreement that, although the new defense program should not refer to the right of collective defense, a statement to be issued by the chief cabinet secretary upon the adoption of the new defense policy should clarify that "the current Constitution prohibits exercising the right."

The Social Democratic Party of Japan and the Liberal Democratic Party are at loggerheads over the three principles of arms exports: The former asserts the principles should be included in the new defense program and the latter opposes the idea. Because of this and because there are still issues on which the ruling parties need to coordinate their views, they decided to hold another defense policy coordination meeting on 24 November.

There is a growing voice within the ruling coalition that, because the Okinawa base issue does not fit in with the nature of the defense program, reference to the problem should be made in the chief cabinet secretary's statement. However, some claim that the government should indicate in the defense program its resolve to work to ease the concentration of U.S. military bases on Okinawa. The ruling parties also need to coordinate their opinions on this matter.

New Defense Outline Promotes Changes in Strategy

OW2411122195 Tokyo YOMIURI SHIMBUN in Japanese 23 Nov 95 Morning Edition p 2

[FBIS Translated Text] At a 24 November Security Council meeting, the government will complete the draft of a table to be attached to a new "National Defense Program Outline" to show the scale of the future Self-Defense Forces [SDF] and then approve the new outline at a cabinet meeting on 28 November. While taking into consideration the demise of the Cold War, a draft of the table characterizes UN peacekeeping operations (PKO) and other tasks as new roles of the SDF.

Together with the new defense outline — which explains Japan's intention to shoulder its share of the burdens for peace and stability in the Asia-Pacific region — the table also shows concrete figures for SDF deployment and major equipment. A distinctive feature of the new defense outline is that it tries to improve SDF quality without lowering the level of its defense capability. It also changes the old policy of attaching importance to the threat from the Soviet Union while at the same time focusing on possible emergency outbreaks on the Korean peninsula — the only place in Asia where the Cold War situation still exists — and streamlining SDF personnel and equipment.

Changing Policy of Attaching Importance to North]

At a 22 November meeting of the Liberal Democratic Party's Joint National Defense Council, the Defense Agency [DA] produced a proposal designed to scale down the four ordinary Ground SDF divisions — the 5th Division (stationed at Obihiro city in Hokkaido), the 11th Division (in Sapporo), the 12th Division (in Shinto-son of Gunma Prefecture), and the 13th Division (in Umida-cho of Hiroshima Prefecture) — to brigades. Four divisions, including the 7th Division which is an armored division, were deployed to Hokkaido, which has been the "key to the northern defense." Of the four, two will be degraded to brigades and the 4th and the 8th Divisions, which are in Kyushu, will maintain the status quo. In this way, the new defense outline shows that the DA is changing its policy from "attaching importance to the north" to "attaching importance to the west," which is based on the assumption emergencies on the Korean Peninsula and other places.

At the 22 November meeting, however, Tsutomu Takebe, the lower house dietman from Hokkaido, expressed his concern, saying: "Nobody knows what will happen to the situation in Russia 10 years from now." Moreover, since the scaledown of the divisions (with approximately 7,000 personnel) to brigades (with about 3,000-4,000 personnel) will be accompanied by consolidation and abolition of bases, some cities, towns, and villages in Hokkaido, which are suffering a decline in population, have already begun to express their opposition to the plan.

Reduction and Qualitative Improvement

The Air Self-Defense Force [ASDF] will reduce the number of its combat aircraft, currently about 430, to about 400. Of these, fighters will be reduced from approximately 350 to about 300. As a result, the ASDF, in addition to air refueling tankers, will introduce long-distance transport aircraft to make ASDF training more effective. It will add a further 20 of these aircraft.

The number of scrambles to fend off aircraft violating Japan's territorial air space reached 900 during the peak of the Cold War. But it dropped significantly to one third of that figure after the Cold War. The plan to reduce the number of ASDF aircraft is based on this present situation. It is also aimed at capitalizing on the introduction of the long-distance transport aircraft that will be useful as the SDF takes part in the PKO.

The Maritime Self-Defense Force [MSDF] will promote its scaledown plans, including the reduction of its local units, because there was less submarine activity following the end of the Cold War era. However, local units stationed at Oominato and Sasebo, which are in charge of patrolling the strategically important Soya, Tsugaru, Tsushima, and Oosumi Straits and all escort ships, which are important in terms of conducting joint combat training with the United States, will be kept.

Eye-Catcher

What catches the eye in the SDF streamlining is a plan to reduce the quorum for GSDF personnel. However, the actual number of GSDF personnel has been around

150,000, which is less than the quorum. The recent personnel reduction plan will bring that quorum target close to reality. The DA plans to introduce a system for keeping SDF reservists, available for immediate response to calls and ready be dispatched to the front line in the time of emergency, as a measure to "provide a quick response during emergency," (according to a senior DA official). Also, the DA will submit a draft plan to revise the SDF Act in the fiscal 1997 ordinary Diet session.

Some LDP members have made the point about the need to give leave compensation to employers, saying: "We need to have an understanding from employers when reservists take part in training for about a month."

The Social Democratic Party of Japan, however, is assuming a prudent stance toward the introduction of the system, saying: "We would like to clarify, during the deliberation process of the bill, whether or not the plan can be made reality."

Takemura: Special Tax Cuts To Continue in FY96

OW2411095195 Tokyo KYODO in English
0911 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Japan will conduct a 2.0 trillion yen "special" income and residential tax cut again in fiscal 1996, which starts next April 1, following a cut of the same size in the current fiscal year, Finance Minister Masayoshi Takemura said Friday [24 November].

"A special portion of the tax cuts will be unavoidable next year," Takemura said in a speech at a Tokyo hotel.

Last September, the government implemented a tax cut package of 5.5 trillion yen — a special portion in addition to a separate cut of 3.5 trillion yen it vowed to implement as a permanent step every year.

At that time, the government said the special portion could be discontinued in fiscal 1996, if the economy pulls out of its protracted sluggishness, by the time it compiles the fiscal 1996 budget.

The finance minister said the government may not be able to continue implementing an additional series of fiscal stimulus packages as Japan's fiscal house has entered a state of aggravated disorder, as evidenced by the huge annual flotation of bonds.

"It will be difficult for the government to continue implementing typical stimulatory measures," he said.

As for measures to lift Japanese financial institutions out of the current bad loan quagmire, Takemura said the government is considering reforming land-related tax measures to stimulate transactions in the frozen land market.

He said the government is determined to break the current impasse in negotiations between a group of founding banks that had established housing loan companies in the 1970s and farm banks that lent heavily to the housing lenders over how to share the cost of liquidating the housing lenders' bad loans.

Takemura suggested the Finance Ministry should seriously reflect on its faulty supervision of financial institutions that drove the speculative land deals of the bubble economy era of the late 1980s through heavy lending.

The ministry "should seriously repent" for its measures taken during the "bubble economy" era, he said.

The minister expressed hope that the inflation-adjusted gross domestic product (GDP) will expand at an annual pace of more than 2 percent in fiscal 1996.

FTC Panel Warns Disadvantage of NTT Breakup

OW2411121995 Tokyo KYODO in English
1040 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — In a blow to the Posts Ministry, a Fair Trade Commission (FTC) panel warned Friday [24 November] that a ministry-proposed breakup of Nippon Telegraph and Telephone Corp. (NTT) may disadvantage users unless the ministry lifts a variety of legal and administrative curbs on the telecommunications business.

"Even if NTT is split up into long-distance and local telephone companies..., it would not have the effect of expediting competition (among telecom carriers) unless the government takes measures to simultaneously push deregulation so as to create conditions more conducive to competition," the panel said in a report.

The panel, the study group on competititon policy in the telecommunications field, headed by Hokkaido University professor Kenji Sanekata, has been studying the propriety of dividing up the telephone giant at the request of the FTC.

If the government were to simultaneously push deregulatory steps and take measures that would fire competition, such divestiture of NTT "could be a valid method for creating conditions more conducive to competition among telecom carriers," the report said.

However, if such a two-pronged approach is not taken, the government should be aware of the possibility of negative fallout from a breakup of the telecom behemoth, such as the costs of the divestiture eclipsing its favorable effects for users, it said.

The government "should consider thoroughly whether a breakup would really lead to boosting the interests of users," it said.

The breakup could carry such dangers as reducing research and development capabilities or undermining the level of services now enjoyed by users, it cautioned.

The report recommended such official deregulatory measures as "a quick abolition" of the rigid partitions between international and domestic telecom business as well as the mobile phone business.

It also called for stripping the Ministry of Posts and Telecommunications of its powers to restrict the entry of upstart telecom carriers into a variety of telecom businesses in view of the supply and demand situation in specific telecom fields.

The government should halt "excessive" intervention into the internal affairs of NTT, such as its power to approve or disapprove NTT's plans to raise funds through flotations of financial debt instruments, and appointment of managing directors, it said.

It also urged the scrapping of a law obligating KDD, Japan's largest international telecommunications company, to specialize in the international telephone business.

The report also urged the posts ministry to agree to NTT's request to enter the international telecom business.

As for telecom fees, the report said the ministry should retain its powers over telephone fees to be charged by NTT, until NTT's virtual monopoly over the nation's local telephone networks is eliminated.

However, the current means by which the ministry is regulating NTT telephone fees should be relaxed so that NTT can pass on to users the benefits of its various efforts to cut costs in the form of lower fees, it said.

The report also demanded that NTT take a number of measures to facilitate competition by its rival carriers.

NTT should take measures to ensure that other carriers can connect their networks with NTT's local networks "at any point" to be requested by the rival carriers, although such points of interface have so far been limited to one per prefecture.

Although NTT President Masashi Kojima vowed in September to open the company's local telephone webs to rival carriers seeking to enter the local telecom business, the specific terms for such interconnections, including connection charges and timing, have not yet been decided.

In view of this, the report urged NTT to enable rival carriers to connect their webs with NTT's local telephone networks "in a fair and smooth manner," implying that such connection charges should be held down.

Some of NTT's rival carriers have labeled Kojima's announcement a mere public relations ploy to deflect demands for an NTT breakup.

To resolve the standoff among NTT and its rivals, the panel recommended that the government entrust a "neutral public institution" with laying down rules for such interconnections and rules on how to share the costs needed for such linkups.

This neutral institution should be given the power to supervise interconnection negotiations between NTT and its rivals and to intervene as mediator when talks bog down, the report said.

"When a divestiture and breakup of NTT is considered, implementing the measures this panel has recommended in the fields of deregulation and improvement of competition conditions is indispensable," it said.

"No one should be allowed to place priority on only breaking NTT up without taking these measures," it said.

Trip to Cuba Yields 'Little Substantial Results'

OW2411134695 Tokyo KYODO in English
1303 GMT 24 Nov 95

[FBIS Transcribed Text] Havana, Nov. 24 KYODO — A Japanese trade mission will leave here for home Friday [24 November] after a five-day visit to Cuba, having produced little substantial results in talks with the country's leaders, mission sources said.

The mission, led by Takehiko Tsuchiya, adviser to trading company Nissho Iwai Corp., consisted of 18 officials from 11 companies including Mitsui and Co. and Hino Motors Ltd.

The mission met with Cuban Vice President Carlos Lage on Thursday night, but failed to produce concrete results on future bilateral economic relations, largely due to a rift in views concerning Cuba's debt to Japan, the sources said.

Cuban officials showed resistance toward the Japanese request for repayment of over 100 billion yen in debt owed by the Cuban private sector, Tsuchiya noted.

An agreement the two sides did come up with was to hold talks in the future over the debt problem and over a strengthening of mutual economic ties, the sources said.

The delegation was initially scheduled to meet President Fidel Castro, but the meeting failed to materialize due to the president's preparations for his trip to China, they said.

In a meeting with Ernesto Melendez, minister of foreign investment and economic cooperation, the delegation was presented with plans for more than 10 projects in such sectors as oil development and sugar processing. But the participating companies in the mission did not show interest, they said.

Cuba owes a total of over 200 billion yen to Japan, including both private and public sector debt, but it has been suspending debt repayment since the middle of the 1980s.

Shinshinto Leaders Talk With Islamic Envoys

OW2411100995 Tokyo KYODO in English 0941 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Leaders of Japan's major opposition Shinshinto (New Frontier Party) met Friday [24 November] at a "tea party" with the envoys of 20 Islamic countries for an informal exchange of views.

Shinshinto leader Toshiki Kaifu and Secretary General Ichiro Ozawa were among the participants. Many of the attending ambassadors asked the party to continue the dialogue on a regular basis, party officials said.

The meeting is part of Shinshinto's efforts to develop its own foreign policy in preparation for a possible sweep to power in future general elections.

Farm Ministry Announces Rice Acreage Plan

OW2411081895 Tokyo KYODO in English 0440 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — The farm ministry announced Friday [24 November] a plan to reduce rice field acreage for all prefectures next year, with possible cuts ranging from about 17 to 50 percent from a year before.

The Agriculture, Forestry and Fisheries Ministry plans to reduce Japan's total rice acreage by 787,000 hectares next year.

To implement that reduction, the ministry decided a quota for each prefecture by calculating acreage this year and rice shipments within each area.

For next year, reductions range from a year-on-year 16.8 percent for Shiga Prefecture to 50.3 percent for Tokyo.

Nationwide reductions average 28.8 percent, compared with 24.4 percent for this year.

Japan adjusts its rice acreage every year in order to maintain the demand-supply balance.

The plan for next year will be examined by each prefecture by March, and after adjustments, a formal plan is expected to be set in May.

Lack of Leadership Within SDPJ Assessed

OW2311135895 Tokyo MAINICHI SHIMBUN in Japanese 22 Nov 95 Morning Edition p 2

[FBIS Translated Text] At the 21 November meeting among leaders of the ruling coalition parties, the Social Democratic Party of Japan [SDPJ] at first withheld its decision on the issue of Prime Minister Tomiichi Murayama's proxy signing of documents to force land owners to lease land for use by U.S. forces in Okinawa. The party, however, had actually determined at a much earlier stage that Murayama would have to undertake the proxy signing. Some newspapers recently reported that "the draft joint statement on the Japanese-U.S. security arrangement does not incorporate plans to reduce U.S. military bases." At the tripartite leaders' meeting, SDPJ Secretary General Wataru Kubo and others basically asked the government to have such reports retracted. There is strong indication that this was "a public stunt the SDPJ put on to prove it has indeed tackled the issue of reducing military bases." Unable to erase the impression that work on drafting the joint statement was led by the Foreign Ministry and the Defense Agency, a growing number of party members are showing concern that more supporters will abandon the party, saying: "The SDPJ can be what it ought to be only if it sticks to defending peace and the Constitution" (as stated by a party member who has formerly served as a cabinet minister).

Kubo and senior party officials, together with Chief Cabinet Secretary Koken Nosaka, got their first hint from Okinawa Governor Masahide Ota on 28 August regarding his intention to refuse to undertake proxy signing. This was exactly one month before Ota formally announced his intention at a prefectural assembly session. At the time, however, the SDPJ was "not bothered by it" (according to a senior party official), and time passed with the party hardly expecting the situation to turn so serious.

Although this is a "U.S. military base-related issue" which directly affects the SDPJ's raison d'etre, the party hardly conducted any discussions on the matter. Even at a meeting held the same day by dietmen belonging to the SDPJ, no questions were raised. A sense of helplessness is spreading through the SDPJ, as some younger party members have even dared to say: "It is useless to count on incapable leaders."

'Sources': SDP Heading for Simple Name Change

OW2311045595 Tokyo KYODO in English 0418 GMT 23 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 23 KYODO — Prime Minister Tomiichi Murayama's Social Democratic Party (SDP), with no prospect of immediate participation from other liberal groups in a proposed new party, is headed for a mere change in the party's name, according to SDP sources.

That possibility emerged after the party held a series of meetings Wednesday [22 November], including ones among its top leaders and central executive committee, to discuss three options on the new party bid, the sources said.

One option is to change the SDP's name, platform, general principles and bylaws, and then register the newly named party, while the other options call for the SDP's breakup and subsequent formation of a new party, or establishment of a splinter group which is to be joined by the rest of the party later.

The idea of a simple name change was supported by a majority of an SDP panel preparing for establishment of a new party because many SDP members — particularly those of regional chapters — are opposed to the party's breakup, the sources said.

Advocates of a new party through the SDP's dissolution have broached the name change plan to bypass such opposition and prevent possible disputes over the question of how to take over party assets and government subsidy payments in case a new party is set up through the SDP's breakup, they said.

Wednesday's discussions gave priority to the smooth transfer of party assets and subsidies to the planned new party and the continuation of the party's incorporated status after the proposed changes in the SDP, which some officials said are meant in effect to "change the party shingle."

Changes in the party's name and other matters would have to be approved by a Party Congress, but the question of when to hold such a congress — by the end of this year or sometime next year — will be left to a committee meeting scheduled for next Tuesday, the sources said.

Proposals must be sent to local chapters one month before a Party Congress can be convened, however, making it unlikely that a congress could be convened by the end of the year.

Since reforms in the SDP's regulations and bylaws require approval by two-thirds of a congress, it is unclear if the proponents have the numbers to move forward with their plans.

The SDP has been preparing to change itself into a new party involving all noncommunist liberal groups so as to have a better chance of winning in the coming elections.

It has repeatedly asked New Party Sakigake [Harbinger], the smallest of the three ruling coalition partners, to join the proposed new party, but Sakigake chief and Finance Minister Masayoshi Takemura has said his party could join the new party only if its policies were taken into account.

Some senior SDP members, led by Secretary General Wataru Kubo, have indicated their resolve to launch a new political grouping even without the participation of Sakigake members.

The SDP and Sakigake are members in the current governing alliance together with the conservative Liberal Democratic Party.

Murayama Confident of Maintaining Administration

OW2311130795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 21 Nov 95 Morning Edition p 2

[FBIS Translated Text] Prime Minister Tomiichi Murayama is now full of confidence in maintaining his administration because he has survived the Asia-Pacific Economic Cooperation (APEC) Osaka forum. Hereafter, Murayama intends to do his utmost to deal with such issues as the U.S. military bases on Okinawa and on the formation of a new party by the Social Democratic Party of Japan [SDPJ]. The Liberal Democratic Party [LDP] has decided that even if confusion should arise at Diet sessions on the deliberations of the bill for revising the Religious Corporation Act, it would not seek the dissolution of the lower house and the general election. Thus, the prime minister's aides have started surveying the future operations of the administration while taking into account the summit talks of industrialized countries next year (Lyon summit). However, the overall situation, in which the Murayama administration's leadership has become weakened, remains unchanged. The fact is that, depending on the future development of the new party formation or on the LDP's attitude, the coalition administration may break down in one rush.

The prime minister concurrently is chairman of the SDPJ, which has been engaged in antibase movements. Therefore, in handling the Okinawa base issue, Murayama has done everything he could to promote intraparty coordination, in addition to consultations with the Okinawa prefectural government. Reportedly, the prime minister had the following conversation with SDPJ Secretary General Wataru Kubo at the Prime Minister's Official Residence in mid-November:

Prime Minister: "If I started the legal procedures (for enforced use of land for the U.S. military bases), would there be any rebellion [zohan] within the party?"

Kubo: "I don't think so."

Around the beginning of the APEC Osaka forum, the prime minister started backstairs negotiations with the prefectural government and also with his own party. His close aides, including Chief Cabinet Secretary Koken Nosaka, started showing confidence in tiding over the difficulty connected with the Okinawa base issue. With regard to the postponement of President Bill Clinton's visit to Japan, the prime minister's close aides regard it as an advantage, saying: "If his visit should become a reality next January, the political vacuum would be filled and the administration would be maintained." It is observed that if the administration were able to tide over the difficulty in handling such issues as the Okinawa bases and the new party formation beginning from late November till early next year, it would be able to carry on till the adoption of the budget for FY96.

It is true that the LDP's confidence in obtaining a majority in the next general election has not been bolstered despite its victory in the recent by-election for the upper house held in Saga Prefecture. The LDP is hesitant about dissolving the lower house. According to an analysis made by the prime minister's aides, prospects for settling the Okinawa issue have somehow come into sight now. However, these aides are also paying attention to the moves concerning the formation of the new party in the SDPJ, the prime minister's own party.

"From now on, I will be in charge." The prime minister stated his determination to play the leading role in new party formation to senior executives of various labor unions such as the All-Japan Prefectural and Municipal Workers' Union, who gathered at the Prime Minister's Official Residence on the evening of 20 October. However, when SDPJ Vice Chairman Kosuke Uehara and others were gathered at the Prime Minister's Official Residence less than one month later on the evening of 13 November, the prime minister reportedly asked a question: "It would be better to step up the new party formation, but would it not be desirable to cooperate with New Party Sakigake [Harbinger] only in the election?"

Therefore, once the prime minister's aides decide that there is still time to prepare for the election as the [lower house] dissolution has become rather distant, it will be natural for them to make a complete turn and become cautious about the new party formation, which may affect the administration's basis. In the final analysis, the new party issue is tantamount to a struggle for leadership between those who support the LDP-SDPJ coalition, including the prime minister himself, on the one hand, and the group dissatisfied with the LDP-SDPJ coalition, including Secretary General Kubo, on the other. If a new party should be formed at an early time under the leadership of Kubo and others, "there will be no place for the prime minister." And this is exactly what the prime minister's aides are on guard against.

However, even if these measures, taken to promote intraparty coordination, should prove effective, some party members have expressed their cool view as follows: "As a result of successive resignations of cabinet members, including former Director General Takami Eto of the Management and Coordination Agency, the administration's leadership has become weakened. Under such circumstances, prospects for continuous maintenance of the administration cherished by Chief Cabinet Secretary Nosaka and others are, after all, nothing but castles built on sand that will vanish depending on the LDP's attitude," (as stated by an SDPJ senior executive).

Kato Voices 'Hopes' for Hashimoto Premiership

OW2411100595 Tokyo KYODO in English
0950 GMT 24 Nov 95

[FBIS Transcribed Text] Kanazawa, Japan, Nov. 24 KYODO — Koichi Kato, secretary general of the Liberal Democratic Party (LDP), said Friday [24 November] he hopes the next general election will be held after LDP President and Trade Minister Ryutaro Hashimoto would be elected as prime minister.

"We would like to support Mr. Murayama as long as he has the will to do the job, but we also wish the next general election will be held with Prime Minister Ryutaro Hashimoto at the helm," Kato said in a speech in Kanazawa, Ishikawa Prefecture, on the Sea of Japan coast.

"I think the election can be held in June or July at the earliest," he also said.

The remarks were taken to mean that the LDP wants to see Hashimoto, international trade and industry minister, assume the premiership after the fiscal 1996 budget legislation passes the Diet, then the dissolution of the House of Representatives to hold the election, political analysts said.

The LDP is the largest party in the three-party ruling coalition, joined by Murayama's Social Democratic Party and New Party Sakigake, led by Finance Minister Masayoshi Takemura.

Toyota Again Postpones Building Daiwa Plant

OW2211130195 Tokyo KYODO in English
1216 GMT 22 Nov 95

[FBIS Transcribed Text] Nagoya, Nov. 22 KYODO — Japan's leading automaker Toyota Motor Corp. has again postponed a plan to build an auto parts plant in northern Japan due to the bleak outlook for the domestic automobile market, company officials said Wednesday [22 November].

The officials said the project called for building a plant in an industrial complex in the town of Daiwa, Miyagi Prefecture, because of a labor shortage in Aichi Prefecture, central Japan, home of the Toyota group.

The company postponed the Miyagi Prefecture project twice before because of the domestic auto market slump.

The initial plan called for the company to invest 20 billion yen to build a factory to manufacture electronic control devices. The plan was to have started operating in 1993.

North Korea

U.S. 21 Nov 'War Exercise' in ROK Reported

SK2311082495 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 22 Nov 95

[FBIS Translated Text] According to a military source, on 21 November, from their overseas bases, the U.S. imperialist warmongers dragged in fighter bombers and carrier-based assault planes over the skies of the South Korean region, and staged a joint air war exercise to invade the North, together with the puppets, centered over the skies in the areas above Oeyon and Anmyon Islets and Yoju.

According to the overall operation plan of the U.S. Pacific region's Marine and Air Force Command, in this provocative war exercise held crazily day and night, an E-3 early-warning plane and scores of fighters from overseas bases and about 620 planes of the U.S. Seventh Air Force occupying South Korea and the puppet Air Force, were mobilized concentratedly.

In accordance with this time, at around 1800 [0900 GMT] on this day, a KC-135 refueling tanker which flew in an overseas base made a long-time flight in the sky above the sea off Kunsan and were running amok in the night, air refueling toward the flying corps of the U.S. Air Force and the puppet Air Force which were mobilized in the aerial war exercise.

At around 2000 [1100 GMT] on the same day, a P-3 patrol plane which crawled in from the overseas base over the skies of the South Korean region, made a low-altitude flight in the sky above Tokchok Islet in the Korean West Sea and in the sky above the sea off Kangnung in the Korean East Sea, running amok frantically in the night reconnaissance on the eastern and western coastal areas and sea bed of the North.

That day, from about 1500 to 1600 [0600 to 0700 GMT], formations of transport planes carrying the puppet's airborne commandos flew one after another into the sky above Sinchon-ri in the forefront to stage a large-scale airlifting operation exercise simulating a deep infiltration into the northern half of the Republic. On the same day at around 2130 [1230 GMT], around the area of Pangmok-ri and Yongsan-ri of Paju County situated in the western sector of the front line, the murderous scoundrels of the puppet troops took a jump-off position and ran wild in a night offensive exercise against the North by recklessly firing some 50 flare bombs and more than 700 bullets of automatic rifles.

The U.S. imperialist war maniacs and the South Korean puppets must see the present realities squarely, and stop reckless aggressive war maneuvers running counter to peace and reunification of the Korean peninsula.

U.S. 'Barbarous Acts' in ROK Condemned

SK2211134695 Pyongyang Korean Central Broadcasting Network in Korean
0854 GMT 22 Nov 95

[Unattributed commentary: "We Cannot Repress National Indignation"]

[FBIS Translated Text] The U.S. imperialist aggressor rascals are committing beast-like barbarous acts and crimes against innocent residents in South Korea, one after another, thus causing a surging national indignation.

On 17 and 18 November, an aggressor soldier from a U.S. Air Force unit in Pyongtaek, Kyonggi Province, while in a drunken state, rashly beat the owner of a wineshop and seriously injured him. Meanwhile, aggressor soldiers from the U.S. 2nd Division in Tongduchon stopped a passing car and picked a quarrel with the driver, committing collective violence against him.

In addition, two aggressor rascals, sneaking into a wineshop in Suwon, stole from the wineshop and ran away after destroying the building. In Tongduchon, an incident by U.S. imperialist aggressor rascals resulted in serious damage to a car owned by a South Korean resident.

With a surging and just national indignation, we sternly condemn and denounce the U.S. imperialist aggressor troops who inflict enormous and immeasurable damage on the South Korean residents by committing beast-like barbarous acts and criminal acts, doing so everywhere nearly every day since having occupied with arms half of the land of our fatherland.

As South Korean residents unanimously point out, the U.S. forces in South Korea are not protectors or friends. They have acted like masters in South Korea for half a century since building a nest there. They are indeed the source of all the misfortune and pain suffered by the South Korean people, thoroughgoing aggressors, and plunderers.

A house in which a burglar has broken into is not safe. Moreover, the U.S. imperialist aggressor rascals—offspring of cannibals [siginjongui huyedul] who are filled with the idea of extremely hating mankind, with the idea of rejecting other people, and with a corrupt way of life—have run wild in South Korea for as long as a half century as if it is their own land. This being the situation, how can South Korea be at peace?

Being trampled underfoot by the aggressors, the people are forced to suffer various national contempts, insults, immeasurable misfortunes, and calamities.

According to data released by the South Korean puppet Ministry of Justice, criminal acts committed by U.S. Forces in South Korea numbered as many as 624 cases in 1993 and 710 in 1994. During the period from January to August this year, the number of crimes totalled 492.

Aside from the filthy and mean nation-selling flunkeyist acts of the Kim Yong-sam group, one cannot but think of the barbarous acts of the U.S. imperialist aggressor forces, which are becoming more grave with each passing day in South Korea.

As was reported, as soon as the Kim Yong-sam puppet clique came to office, it offered much more money than its predecessors did to maintain U.S. forces, and left everything to the United States, including the opening of rice markets as demanded by the United States, thus begging for the permanent occupation of South Korea by U.S. aggressor forces.

The puppets cannot protest violence by U.S. forces, which is committed in South Korea every day; when enraged South Korean residents on the spot take the criminals by the scruff of the neck, the puppets hand over the rascals to the United States so they may evade punishment. This is the very true color of the puppets.

These mean, cowardly, and foolish acts of the traitorous Kim Yong-sam group are instigating the arrogance, violence, and brutality of the aggressors to an extreme. Thus, the U.S. forces issue shameless statements that describe themselves as sufferers, not offenders, even after having committed atrocious and brutal crimes against innocent South Koreans. This being the reality, how can South Koreans evade damage, and how can these crimes by U.S. forces be terminated?

The Kim Yong-sam group are mean, ugly, nation-selling flunkeyists and colonial stooges who maintain their filthy life by depending on outside help, without even the slightest degree of national prestige.

The reality shows that as long as the aggressors' occupation policy and the Kim Yong-sam group's nation-selling traitorous politics continue, the brutal acts of the aggressors will not end and the people will not be at peace.

It is quite natural that South Korean youth, students, and people unanimously rose in the anti-Kim Yong-sam and anti-government struggle, upholding the banner of anti-U.S. independence.

U.S., ROK Urged To See 'Present Realities

SK2311040295 Pyongyang KCNA in English 0308 GMT 23 Nov 95

["Endless War Exercises Against North" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 23 (KCNA) — The U.S. imperialist warmaniacs on November 21 sent overseas-based fighter bombers and carrier-based assault planes to stage a joint air war exercise against the North, together with the puppets, in the sky above Oeyon and Anmyon Islets and Yoju area, South Korea, military sources said.

Participating in the war exercise were an "E-3" early-warning plane and scores of fighters from overseas bases and about 620 planes of the U.S. Seventh Air Force present in South Korea and the South Korean puppet air force.

A "KC-135" refueling tanker from an overseas base made a long- time flight in the sky above the sea off Kunsan to give a night air refuelling to the flying corps of the U.S. Air Force and the puppet air force during the air war exercise.

And, a "P-3" patrol plane made a low-altitude flight in the sky above Tokjok Islet in the Korean West Sea and in the sky above the sea off Kangnung in the Korean East Sea to carry out night reconnaissance on the eastern and western coastal areas and seabed of the North.

That day, formations of transport planes carrying puppet commandoes flew one after another to the sky above Sinchon-ri in the forefront to stage a large-scale airlifting operation exercise simulating a deep infiltration into the northern half of Korea, and the puppet troops took a jump-off position in the western sector of the front and ran wild in a night offensive exercise against the North, firing flare bombs and more than 700 bullets of automatic rifles.

The U.S. imperialist warmaniacs and the South Korean puppets must see the present realities squarely and stop reckless aggressive war moves going against the peace and reunification of the Korean Peninsula.

Japan-U.S. Joint Military Exercise Denounced

SK2411082295 Pyongyang KCNA in English 0801 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — The Naval forces of Japan and the United States conducted large-scale joint military exercises earlier this month simulating the interruption of sea transport by a multinational force off Japan's Pacific coast, according to a report from Tokyo.

It must not go unnoticed that the military exercise simulated the enforcement of "sanctions" against the DPRK and the putting of pressure on the DPRK.

The KYODO news service reported that the U.S. scenario covered the interruption of sea lanes in the East Sea [Sea of Japan] of Korea in response to instability on the Korean peninsula.

Amid rising tension on the Korean peninsula in connection with North Korea's alleged nuclear weapons program, the defense agency of Japan had studied the feasibility of Japanese participation in the interruption of sea transport to North Korea, but concluded that the self-defense forces [SDF] law must first be amended before SDF forces may join, said the report.

A military source of Japan was quoted as saying that as a preemptive move it is necessary to learn from the U.S. Forces who have experience in such operations.

All this shows well that the criminal moves of the U.S. and Japanese reactionaries to isolate and suffocate the DPRK militarily are becoming all the more heinous and serious.

U.S., ROK, Japan Joint Statement Denounced

SK2411043795 Pyongyang KCNA in English 0403 GMT 24 Nov 95

["Campaign for 'Cooperation System' Against DPRK Hit" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — The United States, Japan and South Korean puppets have reportedly released a "joint statement" with a recent summit meeting of the Asian-Pacific Economic Cooperation (APEC) as an occasion, in which they cried for "frequent discussions" and "cooperation", contending that they "have apprehensions over the continued suspension of inter-Korean talks" and that they had "discussions on the way of inducing North Korea to open to outside world".

Commenting on this, NODONG SINMUN today says this is an indication that the U.S., Japan and South Korean puppets do not want peace and detente on the Korean peninsula, but persist in their anti-DPRK campaign. The "joint statement" is a document of aggression and treachery, the paper says.

The analyst notes:

The full responsibility for the postponement of inter-Korean dialogue rests with the South Korean puppets.

Their crying for "opening of North Korea to the outside world" is an anti-DPRK propaganda, a habitual practice of the U.S., Japan and South Korean puppets.

Their confab is also a product of desperate efforts for the South Korean puppets' maintenance of "power".

"Frequent discussions" and "cooperation" the U.S. and Japanese reactionaries promised considerate of the complaints of the South Korean puppets are meant to give a helping hand to the South Korean puppets driven into a tight corner, encourage them to a fratricidal war and stifle the DPRK. To this end, they are exercising political pressure on the DPRK and making desperate efforts in "cooperation system", alongside military provocations against the DPRK.

Neither pressure nor threat can be a solution to problems, and they will result in bringing the situation to a catastrophic phase.

The pressure and demands of the U.S. and Japanese reactionaries, which are as good as their interference in the internal affairs of the DPRK, do not work on the Korean people, who regard independence as their lifeblood.

We cannot but take a serious note of the fact that the U.S. and Japan play into the hands of the Kim Yong-sam group forsaken at home and abroad and that they seek a sinister intention to use the latter for the execution of their strategy.

If the United States and Japan misjudge the situation and continue their unreasonable campaign against the DPRK, it will bring nothing good to them. They should ponder over the consequences.

ROK 'Trying To Obstruct' Japan-North Ties

SK2411094395 Pyongyang KCNA in English
0916 GMT 24 Nov 95

["S. Korean Puppets' Hammering on Cold Iron" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — MINJU CHOSON today accuses the South Korean puppets of trying to obstruct the improvement of relations between the Democratic People's Republic of Korea and Japan.

In recent "talks" and "statement" they claimed that "Japan should base the normalization of its relations with North Korea on its close cooperation with South Korea" and "the improvement of the bilateral relations should be promoted in keeping with the progress of inter-Korean dialogue."

In a commentary the paper says this fully reveals that they are allergic to the improvement of the DPRK-Japan relations and reflects their sinister intention.

The paper says:

From the days when the issue of DPRK-Japan relations was raised, the South Korean puppets have tried hard to circumvent it. They are now running high fever in their efforts to keep Japan from improving relations with the DPRK.

The paper also criticizes Japan for singing in tune with the South Korean puppets in the issue of DPRK-Japan relations.

DPRK-Japan relations can never be improved with Japan currying favor with the South Korean puppets, who have persistently obstructed it.

If Japan truly wants to see the improvement of bilateral relations with the DPRK, it should act according to the four-party agreement for the resumption of DPRK-Japan talks. An unprincipled act is not beneficial to Japan itself.

We will keep a close eye on the attitude of Japan.

ROK's 21, 22 Nov 'Military Provocation' Reported

SK2411034495 Pyongyang Korean Central
Broadcasting Network in Korean
1200 GMT 23 Nov 95

[FBIS Translated Text] According to military sources, on 21 and 22 November, the South Korean puppets committed a grave military provocation against us in the DMZ of the central sector of the front.

At around 09:30 on 21 November, some 10 puppet murderous gangsters, who were ambushing at the posts of its military policemen in the South side's DMZ area, which is on the Military Demarcation Line [MDL] marker No. 0417, took a combat posture and leveled 90 mm recoilless guns and 12.7 mm large-caliber machine guns, which had already been illegally introduced and deployed in front of our face, toward our side's civil posts and soldiers of the People's Army, seriously threatening their lives.

In another development, at around 08:50 on 22 November, hundreds of murderers of the puppet Army, who were fully armed with machine guns and automatic rifles, kicked up a warmonger-like row in the South side's DMZ area, which is on MDL marker No. 0740, and instigated an atmosphere of serious confrontation.

On 21 and 22 November, the puppets ran amok by openly introducing 30 military vehicles loaded with military hoboes and lethal weapons in broad daylight into the South side's DMZ area, which is on MDL marker No. 0589.

This is an intolerable criminal act of the Kim Yong-sam treacherous group which is attempting to find the excuse for prolonging its power in North-South confrontation and military tension.

DMZ 'Military Provocations' by ROK Denounced

SK2411031495 Pyongyang KCNA in English
0302 GMT 24 Nov 95

["Military Provocations in DMZ" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — Some ten soldiers of the South Korean puppet army suddenly took a combat position in the Demilitarized Zone (DMZ) South of the central sector of the front on November 21 and aimed at a civil police post of the North side and soldiers of the Korean People's Army with a 90 mm recoilless gun and 12.7 mm machine gun which had already been introduced there, military sources said.

On the 22nd, hundreds of puppet army soldiers armed with machine guns and automatic rifles appeared at the same place to create a horrible atmosphere of confrontation. And more than 30 military vehicles carrying soldiers and combat equipment were brought there on the 21st and 22nd.

Ways for Kim Yong-sam To Improve N-S Relations

SK2311112095 Pyongyang Korean Central Broadcasting Network in Korean 1221 GMT 22 Nov 95

[Commentary by Kim Ho-sam: "Does He Have the Face To Talk About the Improvement of South-North Relations?"]

[FBIS Translated Text] Traitor Kim Yong-sam is continuing to make double-faced remarks in connection withOthe nation's reconciliation, unity, and reunification issues. When traitor Kim Yong-sam made a junket to Japan a few days ago and held a so-called meeting with Prime Minister Murayama, he asked that in improving relations with North Korea, Japan promote them in such a way as to help improve South-North relations. He babbled as if he has interest in and is making efforts to improve North-South relations. This rascal's wicked words and actions stem from the shallow intention to interfere with the DPRK-Japan relations in any way.

As everyone knows, North-South relations and DPRK-Japan relations are separate unrelated issues. DPRK-Japan relations is through and through an issue which must be discussed and resolved from an independent position between the two countries in accordance with the spirit of the three-party joint declaration and the four-party agreement by sitting face to face with each other. There is no ground for such a person like Kim Yong-sam, who is merely a colonial puppet of the United States, to interfere here, and moreover, there is no justification to provoke a quarrel regarding the issue of DPRK-Japan relations.

Traitor Kim Yong-sam's presumptuous remark can only be viewed as a manifestation of a bad-natured intention to put a wet blanket over the fact that talks to normalize DPRK-Japan diplomatic ties are maturing in accordance with the consistent intention and demand of the times of our people and the Japanese people, because he is angry over this matter.

The problem is, does he truly have interest in improving South- North relations as he is babbling about? When viewing the acts by traitor Kim Yong-sam now, his babbling shows that it is nothing but a disguise to hide the true face of a splittist, an enemy of reunification.

Currently, North-South relations have become extremely aggravated. This is due to the Kim Yong-sam ring's confrontational maneuver. If the tense North-South relations are to be eased and if mutual trust is to be created, it is needless to say that the one side must first of all stop the act of slandering and defiling the other side. Nevertheless, the Kim Yong-sam ring continued to fabricate self-made drama of the nonexistent so-called armed spy incident and is picking on us filled with evil, thus, creating distrust.

Moreover, in collusion with outside forces, the puppets are clinging to the antirepublic policy to crush us militarily, thus, they are all the more running amok. A major example of this is that recently for over a month, the Foal Eagle 95 joint military exercise was held in South Korea. On the one side, by carrying a knife in their bosom, they are seething with the war exercise to invade the North aimed at us, however, on the other side, voices to improve relations are being heard. How should we view this? These are truly preposterous words and actions.

Let us give another example. The Kim Yong-sam ring exercised the fascist evil law, the National Security Law, which cannot be found in any other country in the world, and handcuffed and put behind bars Mrs. Pak Yong-kil, who visited Pyongyang embraced with admiration for the nation's father and blazing desire for reunification, and students Chong Min-chu and Yi Hye-chong, who visited the North embraced with the single desire to put an end to the tragedy of division by even sacrificing the prime of their lives — they are in their twenties — to the altar of reunification. It is well known that for such act, the Kim Yong-sam ring is receiving the world's denunciation.

How can we view that traitor Kim Yong-sam who is a maniac of confrontation, warmonger, and fascist murderer, has the will to improve North-South relations? All facts show that traitor Kim Yong-sam is truly the enemy of reunification and deep-rooted enemy of the whole nation who is out of his mind for confrontation and war, not to mention the improvement in North-South relations.

Considering his acts, traitor Kim Yong-sam has nothing to say about improving North-South relations even though he has 10 mouths. From within, not even satisfied with being out of his mind for antireunification acts, traitor Kim Yong-sam is [words indistinct] misleading the world's public opinion, and is trying to hide his dirty true intention, but this is a foolish nonsense of trying to bury his head in the sand like an ostrich.

However traitor Kim Yong-sam carries out flattery, the desire of the people of the DPRK and Japan which is moving toward improving relations, cannot by any means be prevented. Traitor Kim Yong-sam must stop the foolish nonsense; abolish the National Security

Law which is a stumbling block in improving North-South relations; suspend all war exercises opposing the Republic; apologize for the endless heinous crimes committed before the nation; and step down from power. This is the only way to truly improve North-South relations.

ROK People Said To Esteem Kim Chong-il

SK2411111695 Pyongyang KCNA in English 0752 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — The South Korean people are overwhelmed with boundless national honour and pride of holding the great leader General Kim Chong-il in high esteem as the sun of the nation and the lodestar of national reunification.

Kim song bong, a professor of history in South Korea, in his article titled "We Are Nation of the Sun" said:

"The Korean nation, that is in the limelight as a nation of the sun for it has had President Kim Il-song as the sun, is now greeting the heyday of a nation of the sun under the leadership of General Kim Chong-il, who is another sun.

"The history of the nation of the sun pioneered in Kim Il-song's era is shining more brilliantly with the enhancement of national prestige in Kim Chong-il's era.

"In this sense, I think the Korean nation, called the Tangun nation till now, should certainly be called Kim Il-song-Kim Chong-il nation from now on."

Choe Mun-il, a member of the Hyangil Society, said to the fellow members:

"The Korean nation, as it has lived the most glorious life in the 20th century under the leadership of President Kim Il-song, will brilliantly adorn the approaching new century as a dignified nation of the sun by holding Kim Chong-il, the brilliant great man as its leader."

An old man Choe Song-pae in Wonju City, South Korea said general Kim Chong-il, who regards it as his lifelong mission to realize the behests of President Kim Il-song, is the greatest man revered by all people of the world.

"It is the greatest fortune and the highest pride for the Korean nation to have him as the leader of the nation." He said.

Yi Song-su, a member of the Association of Patriotic Youth for Reunification, said in a meeting that, as there is General Kim Chong-il, the future of the Korean nation is bright and so is the future of a unified country.

Choe Kwang Delegation Meets Pakistani President

SK2311012795 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 22 Nov 95

[FBIS Translated Text] On 20 November, Pakistani President Sardar Farooq Ahmad Khan Leghari received our country's military delegation led by Comrade Choe Kwang, marshal of the Korean People's Army, member of the Political Bureau of the Workers Party of Korea Central Committee, vice chairman of the DPRK National Defense Commission, and minister of the People's Armed Forces.

In the meeting, the head of the delegation conveyed greetings and a gift from the great leader [yongdoja] Comrade Kim Chong-il to President Sardar Farooq Ahmad Khan Leghari. The president expressed deep gratitude for this and asked the head of the delegation to convey warm greetings from himself, the prime minister, and the Pakistani people to the great leader [yongdoja] Comrade Kim Chong- il.

Saying that he fervently welcomes the DPRK military delegation's visit to Pakistan, the president said as follows: We think the DPRK and the Korean people are most brilliant. The friendship between Pakistan and the DPRK is a valuable friendship forged between His Excellency President Kim Il-song, the great leader of the Korean people, and His Excellency Zulfikar Ali Bhutto. Because the Korean people uphold the respected [chongyonghanun] His Excellency Kim Chong-il as the leader [suryong], the DPRK is brilliantly building its own distinctive style of socialism under the banner of the great chuche idea. As a great politician and a great leader [yongdoja], His Excellency Kim Chong-il unfolds brilliant politics for the people. We firmly believe that the Korean people will succeed in the struggle for national reunification. We will invariably support the Korean people, who strive for a lofty and great purpose. Since Pakistan and Korea share the same ideology and purpose, the friendly relations between the two countries will further develop onto a higher level. We wish the respected [chonggyonghanun] His Excellency Kim Chong-il even greater success in his overall work.

Meets Pakistani Military Leaders

SK2211141495 Pyongyang Korean Central Broadcasting Network in Korean 1314 GMT 22 Nov 95

[FBIS Translated Text] The DPRK military delegation led by Comrade Choe Kwang, marshal of the Korean People's Army, member of the Political Bureau of

Workers Party of Korea Central Committee, vice chairman of the DPRK National Defense Commission, and minister of the People's Armed Forces, which is on a visit to Pakistan, paid a courtesy call on Pakistani Defense Minister Aftab Shaban Mirani on 20 November.

Present at the meeting were (Shebesalim Ahbas Chilami), secretary of the Pakistani Defense Ministry; (Chamshid), assistant secretary of the Pakistani Defense Ministry; members of our country's military delegation; and our country's ambassador and military attache to Pakistan.

At the meeting, the Pakistani defense minister noted that the great leader his excellency President Kim Il-song and His Excellency Zulfikar Ali Bhutto were pioneers of the DPRK-Pakistan friendship. Aftab Shaban Mirani his honor at having been received by the great leader Comrade Kim Il-song, and at having had a commemorative picture taken with him during his visit to our country with Prime Minister Benazir Bhutto. He added that the friendship between Pakistan and the DPRK has a time-honored tradition.

Prior to its courtesy call on the defense minister, the delegation reviewed an honor guard of the Pakistan Army, Navy, and Air Force.

On the same day, the delegation also met with Air Force General (Paruko Peruzohan), chairman of the Pakistani Joint Chiefs of Staff, and Navy Admiral (Mansurul Hark), respectively.

Information Committee Delegates Leave for Pakistan

SK2311083395 Pyongyang KCNA in English 0821 GMT 23 Nov 95

[FBIS Transcribed Text] Pyongyang, November 23 (KCNA) — A delegation of the Information Committee of the Democratic People's Republic of Korea led by its Vice-chairman Kim Kwan-hoe left here today for a visit to Pakistan.

It was seen off at Pyongyang railway station by Song Pong-sun, vice-chairman of the DPRK Information Committee, and Rehmdil Bhatti [as received], Pakistani ambassador to Korea.

CPC Sends Greetings to Polish President-Elect

SK2411041495 Pyongyang KCNA in English 0404 GMT 24 Nov 95

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — The Central People's Committee [CPC] of the Democratic People's Republic of Korea on Thursday sent a message of greetings to Aleksander Kwasniewski upon his election as president of the Republic of Poland. The message wished him success in his work for the prosperity and stability of the country.

Kim Il-song Strengthened Anti-Imperialist Forces

SK2411120095 Pyongyang KCNA in English 0912 GMT 24 Nov 95

["Immortal Feats in Strengthening and Developing Anti-imperialist Forces of Independence Over the World" — KCNA headline]

[FBIS Transcribed Text] November 24 (KCNA) — What is important in the immortal feats performed by the great leader Comrade Kim Il- song for the world revolution is that he strengthened and developed the anti-imperialist forces of independence, says NODONG SINMUN in a by-lined article today.

The author of the article goes on:

Comrade Kim Il-song, basing himself on a scientific analysis of the nature, aim and mission of the human cause of independence, put forward the outstanding idea and theory on strengthening and developing the anti-imperialist forces of independence of the world and wisely led them.

He was the first in the world to give a lucid exposition of the driving force in accomplishing the cause of global independence and all the questions arising in strengthening the driving force. He saw to it that absolute predominance of independent forces over dominationist forces was ensured.

As was indicated by Comrade Kim Il-song in an original way, the driving force in the struggle to realize the human cause of independence is the socialist countries, the International Communist Movement, the Non-aligned Movement, the peace movement, the labour movement and all other anti-imperialist forces of independence of the world.

He made sure that the anti-imperialist forces of independence ceaselessly strengthen unity, regarding it as life and blood. His precious teachings that the division and alienation moves of the imperialist reactionaries and their strategy for smashing one by one should be answered with the strategy of unity are an immovable truth which should be taken by the world's progressives as a highly important guideline in the whole course of accomplishing the cause of global independence, and to realize the strategy of unity is a historic task of the progressive humankind.

"Let the World People Advocating Independence Unite!" This is the internationalist slogan given by Comrade Kim Il-song to the world's progressives. This slogan is the most just and realistic banner of unity which reflects the demand of the era of independence and human aspiration after independence.

In order to strengthen the anti-imperialist forces of independence, he directed big efforts to strengthening international support and solidarity for the struggle of the countries and nations defending independence.

The immortal feats performed by the respected leader Comrade Kim Il-song in strengthening and developing the anti-imperialist forces of independence of the world are being successfully carried forward and exalted by the great leader Comrade Kim Chong-il, who is the same as Comrade Kim Il-song in idea and leadership.

Development of Science, Technology Stressed

SK2411083795 Pyongyang Radio Pyongyang in Korean to South Korea 1717 GMT 20 Nov 95

[196th Installment of a "Lecture" by Ham Un-kyong: "Revolutionary History of Comrade Kim Chong-il" — recorded]

[FBIS Translated Text] How are you? In this hour, I would like to speak on the wise leadership of the great leader [yongdoja] Comrade Kim chong-il in the work of developing the nation's science and technology into a new higher stage.

Developing science and technology is one of the strategic tasks the working-class party should consistently adhere to in socialist construction, because the role of science and technology is expanding with each passing day in the present era.

This is the era of science and technology. Therefore, unless one develops science and technology, one cannot advance the revolution and construction even a step forward.

Developing science and technology into a higher stage is an earnest demand of the nation in expediting complete victory of socialism. Therefore, only when we develop science and technology, can we accelerate chuche-orientation, modernization and scientization of national economy and constantly enhance the people's living standard by firmly building the material and technological foundation of socialism.

The respected and beloved Comrade Kim Chong-il, based on his far- sightedness on the demand of the time and of development of the revolution in the eighties, vigorously advanced the work of developing the nation's science and technology into a higher stage.

The great leader [yongdoja] Comrade Kim Chong-il has pointed out: Not remaining satisfied with the achievements made in science and technology, we should actively struggle to develop the nation's science and technology into a new higher stage.

The respected and beloved Comrade Kim Chong-il led all functionaries to have, above all, a correct outlook on science and technology in order to develop science and technology into a new higher stage.

It is a precedence issue in rapidly developing science and technology for functionaries to have a correct outlook on science and technology. In other words, whether one can rapidly develop science and technology or not entirely depends on the state of the functionaries' ideological outlook.

However, some functionaries at the time failed to have a correct outlook on science and technology. As a result, they merely arbitrarily urged workers to increase production, ignoring technical [?regulations] provided for each machine and facility and claiming that there is no officially specified capacity of the machine and facilities.

Meanwhile, some other functionaries did not seek the potential for the increase of reserves by renovating and modernizing outdated facilities through the development of science and technology but attempted to reduce labor power with outdated facilities left intact.

For example, some functionaries in the field of transportation and communications at the time regarded the continuous use of buses and automobiles produced scores of years ago, not replacing them, as good, and even praised it.

This act cannot be regarded as good. When a bus or automobile is used for a long time, we can value the operator's efforts for the good management and operation of the machine. However, we cannot value this phenomenon as good from the economic point of view and from the standpoint of science and technology. If an outdated bus or automobile was used continually, it would waste a large amount of oil.

The respected and beloved Comrade Kim Chong-il pointed out a phenomenon of making little of science and technology seen among some of functionaries at the time, and took a step to intensify the ideological education and struggle so that all functionaries have a correct outlook on science and technology.

He saw to it that party organizations firmly arm functionaries with the great leader's [suryong] teaching on the development of science and technology and with the party's policy so that they have a solid position and outlook that unless they develop science and technology, they cannot advance the nation's economy even a step forward.

He also saw to it that the ideological struggle is vigorously carried out among functionaries to reject the phenomenon of making little of science and technology and various ideas harming the development of science and technology, including technological mysticism, empiricism, conservatism, and authoritarianism.

As a result, functionaries overcame the erroneous phenomenon of attaching importance only to impending immediate tasks, not directing efforts to the development of science and technology, and came to keenly realize that only when they develop science and technology, can they rapidly develop the nation's economy and constantly highly upgrade the people's living standard.

The respected and beloved Comrade Kim Chong-il stressed that with a view to developing science and technology to a new higher stage, we should develop science and technology by firmly standing on the chuche-based position without fail. In other words, science and technology should be developed on the principle of satisfactorily carrying out chuche-orientation, modernization and scientization of the national economy, and in accordance with the concrete situation in our nation and by relying on our people's creative power.

For this, he emphasized that, above all, the basis of scientific research work should be placed on resolving the issues which are earnestly raised in developing the nation's economy. What were urgently raised in developing our nation's economy at the time were the issue of more concretely developing and utilizing raw materials, fuel and energy; the issue of modernizing machines and facilities; the issue of raising technical production process, production methods, and business management activities onto a new scientific foundation, and the issue of pioneering the area of new science and technology.

With a view to resolving these issues, the respected and beloved Comrade Kim Chong-il took measures so that leading functionaries from relevant sectors and able scientists and technicians concretely review the estimated annual scientific and technological development tasks in each field, and carry out organizational work to timely resolve scientific and technological issues which were raised each time as important issues.

In addition, he saw to it that works of the 17 February scientists shock brigade, the 17 February scientists and technicians shock brigade, and the 15 April technological innovation shock brigade, be strengthened so that scientists and technicians can develop science and technology while actually carrying out the socialist construction.

Under the wise leadership of the respected and beloved Comrade Kim Chong-il, scientific research work was directed to realize chuche-orientation, modernization and scientization of the national economy. As a result, the scientific and technological problems raised in developing and utilizing raw materials, fuel and energy, and in developing mechanical engineering, electronic engineering, and automation engineering, were successfully resolved.

Furthermore, a great advance was registered in the work of pioneering new scientific and technological domains, including (?cytolosis) engineering.

The respected and beloved Comrade Kim Chong-il attached great importance to accepting advanced science and technology from other countries. He taught that all functionaries should clearly realize that accepting advanced science and technology from other countries does not contradict the demand for independently developing the nation's science and technology and with the principle of self- reliance.

He taught that accepting advanced science and technology from other countries does not contradict the demand for independently developing the nation's science and technology, that the call for establishing chuche in developing the nation's science and technology does not mean that advanced science and technology of other countries should not be accepted, and that even if advanced science and technology of other countries are accepted, as long as they are accepted in the interest of our revolution and in accordance with the actual situation of our nation, it means a contribution to establishing chuche in the area of science and technology. He also taught that although self-reliance demands that one should resolve everything with one's own strength, one should not think that acceptance of advanced science and technology of other countries contradicts this demand. Without the development of science and technology, one cannot satisfactorily attain self- reliance. If we accept advanced science and technology from other countries, we can rapidly develop our science and technology, and thus can more satisfactorily carry out the revolution and construction.

He took measures so that the exchange of science and technology be carried out on the entire party-scale with goal consciousness and in various forms and methods in order to actively accept advanced science and technology from other countries.

Thanks to the wise leadership and benevolence of the respected and beloved Comrade Kim Chong-il, the exchange of science and technology with other countries has been furthermore actively carried out. Thus, a new turning point was registered in accepting the outcome of ultramodern science and technology brought about in the area of science and technology.

The respected and beloved Comrade Kim Chong-il also took an epoch-making step to upgrade the nation's science and technology onto the world level in the shortest period of time while consolidating already-won achievements.

In August 1985, he published a classical work, "On Further Developing Science and Technology." In the work, he comprehensively expounded concrete works and methods to enhance the nation's science and technology onto a new higher stage in compliance with the demand of reality in socialist construction and with the trend of development of modern science and technology.

Furthermore, during the 11th Plenary Meeting of the Sixth Party Central Committee in February 1986, he put forward a task calling for upgrading the nation's science and technology onto the world level in the shortest period of time.

In addition, he provided a national meeting of the holders of academic degrees and academic positions in March 1986, and a national meeting of inventors in October 1988. He also saw to it that beginning 1986, a national seminar on science and technology be organized and held each year.

He took measures for scientists and technicians to resolve scientific and technological problems so as to contribute to the nation's economic development and to play the role and discharge their responsibility for enhancing the nation's science and technology onto the world level.

The respected and beloved Comrade Kim Chong-il, in particular, extended benevolence to scientists and technicians to ensure the condition of their scientific and technological research, and accorded them special treatment. He built modern cultural facilities for scientists in Pyongyang and local areas including Pyongsong.

Truly, thanks to the wise leadership and warm care by the respected and beloved Comrade Kim Chong-il, our science and technology further developed into chuche-based science and technology that actively contribute to the implementation of socialist construction and technological revolution.

Our chuche-based science and technology are developing under his wise leadership and amid his warm love. The level our science and technology have reached was expressed during the 22d international invention and new technology exhibition held in Geneva in April 1994. The number of gold and silver medals our nation has won at this exhibition ranked first of all other countries that won medals for their exhibitions. The organizers of the exhibition and its screening committee members stated that the commodities presented by the DPRK were the world level. Thus, they examined our inventions and products before other nations. They commented that the goods exhibited by the DPRK were characteristic inventions with rich scientific and technological nature and with high economic value, thus speaking highly of them.

Furthermore, scientists and technicians, as well as company representatives from Switzerland, Austria, France, Germany, and the United States, including chairman of the International Investors League, said that the level of DPRK's ultramodern technology is beyond their imagination, and that the exhibition made them deeply understand the overall aspects of the development of science and technology in the DPRK, as well as its economic potential. Thus, they expressed words of praise.

Paper on Chuche Idea, Theory of Party Building

SK2411112095 Pyongyang KCNA in English
0809 GMT 24 Nov 95

["Chuche-Based Idea and Theory of Party Building, Mighty Ideological and Theoretical Weapon" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 24 (KCNA) — NODONG SINMUN today carries an article headlined "Chuche-based Idea And Theory Is Mighty Ideological and Theoretical Weapon To Strengthen and Develop Our Party".

The signed article says:

Respected Comrade Kim Chong-il in his famous work "The Workers' Party of Korea [WPK] Is the Party of the Great Leader Comrade Kim Il-song" describes the chuche-based idea and theory of party building advanced by Comrade Kim Il-song as an ideological and theoretical weapon with which to strengthen and develop the WPK into a chuche-based revolutionary party.

The idea and theory authored by Comrade Kim Il-song and developed and consummated by Comrade Kim Chong-il are a scientific and revolutionary theory of party building which is expounded on the basis of the chuche idea, the guiding idea of the times and revolution; they are an encyclopaedic theory of party building, which is composed of all experience of the WPK in its activities at different revolutionary stages and conditions of struggle.

In the work Comrade Kim Chong-il gives a comprehensive elucidation of the essence of the unique idea and theory of party building laid down by Comrade Kim Il-song and the principled questions arising in the struggle for their materialisation.

Above all, the work clearly indicates the idea that the chuche- based idea and theory of party building are the people-centred idea and theory of party building based on the fundamental principle of the chuche idea.

It is also fully proved in the work that the idea and theory indicate from a new angle the basic principle of building a working- class party on the basis of the principle of the driving force of the revolution.

The validity of the idea and theory of Comrade Kim Il-song has been confirmed by the historical experience in the building of the WPK and shining victory and achievements of our revolution gained under the guidance of the party.

The validity of the chuche-based idea and theory of party building and their great vitality have been also proved in the light of the lessons of the international communist movement.

The chuche-based idea and theory of party building expounded by Comrade Kim Chong-il in the work serve as a mighty ideological and theoretical weapon with which to steadily strengthen and develop the WPK into an invincible militant party.

South Korea

Military Cost-Sharing Pact With U.S. Outlined

SK2311025195 Seoul YONHAP in English
0242 GMT 23 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 23 (YONHAP) — Foreign Minister Kong No-myong and United States Ambassador to Korea James Laney will sign an agreement Friday that calls for South Korea to increase its share of defense expenses incurred by the stationing of American forces here, Foreign Ministry spokesman So Tae-won said Thursday.

Defense Minister Yi Yang-ho and his U.S. counterpart William Perry had agreed at an annual security consultative meeting early this month that South Korea would increase its share of the cost of maintaining U.S. military presence here by 10 percent annually for the coming three years.

Seoul paid 300 million U.S. dollars this year as its share for American military expenses on the Korean Peninsula.

Titled "Concerning Special Measures Relating to Article V of the Agreement Under Article IV of the Mutual Defense Treaty Regarding Facilities and Areas and the Status of United States Armed Forces in the Republic of Korea," the contract stipulates that the cost- sharing contribution of Korea will increase by 10 percent from the preceding year.

Seoul's contribution next year will be 330 million U.S. dollars, 363 million dollars in 1997, and 399 million dollars in 1998, the agreement said.

Two-thirds of South Korea's cost-sharing figure in 1996 will be in cash and the remaining third will consist of in-kind support. By 1998, 75 percent of South Korea's share will be cash and 25 percent will be in in-kind support.

Also stipulated in the accord is that the cash contribution will be made in U.S. dollars. The value of in-kind support will be calculated based on the market exchange rate in effect on the date of the last signature on the memorandum of agreement for execution of each project.

It also calls on the two countries to consult on all matters regarding this agreement through the Joint Committee of the Status of Forces Agreement, the Joint Cost-Sharing Committee and the Security Consultative Meeting (SCM).

The agreement will be effectuated from Jan. 1 until the end of 1998 and may be revised on mutual consent.

U.S.'s Kantor Asks for AT&T's Bidding Rights

SK2311074895 Seoul MAEIL KYONGJE SINMUN in Korean 23 Nov 95 p 2

[FBIS Translated Text] Mickey Kantor, U.S. trade representative, recently met with ROK Foreign Minister Kong No-myong and strongly asked the ROK to allow the U.S. company AT&T to participate in the bidding for Korea Telecom's telecommunication equipment.

Representative Kantor also pointed out that the ROK is not faithfully implementing the agreement on liberalizing food expiration dates and improving the ROK's import inspection procedures for agricultural products. He said that the United States will seek strong countermeasures, including filing a complaint with the World Trade Organization, if the ROK does not thoroughly implement the agreement.

According to related sources on 22 November, Representative Kantor met with Minister Kong in Osaka on 19 November, when Minister Kong was accompanying President Kim Yong-sam to the Asia Pacific Economic Cooperation summit meeting, and strongly urged the ROK to thoroughly follow up what was agreed upon at the meeting on food expiration dates and import inspections, and to grant AT&T bidding rights for Korea Telecom's switchboard equipment.

Cabinet Ministers Plan To Sue U.S. Paper

SK2311101095 Seoul YONHAP in English 0902 GMT 23 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 23 (YONHAP) — South Korean cabinet ministers announced Thursday that they will file a joint civil suit against the American newspaper WALL STREET JOURNAL for libel.

In a decision made at a meeting of related ministers, the Justice Ministry, on behalf of the ministers, will shortly take legal proceedings against the financial daily, including the naming of lawyers, an official said.

In its Nov. 22 Asian edition and Nov. 21 U.S. edition, the economic newspaper carried a story by Seoul correspondent Steve Glain, saying major business groups give "each cabinet minister ttuk kap, or rice cake expenses, of between 5 million won and 15 million won to mark the three major holidays of the year — the autumn harvest festival, Christmas and lunar New Year... Top government officials often clear up to a billion won each."

The journalist turned down the Information Ministry's request that he write an article correcting the story, saying he has evidence to support his findings. He did agree, however, to arrange for Seoul to send a letter to the editor to the newspaper rebuking Glain's article.

The official said that whether the civil suit should be filed with a Korean court or a U.S. court has not yet been decided.

The case is not a confrontation between the South Korean Government and the American media, according to the source, but a private lawsuit to be brought jointly by the cabinet ministers against the economic paper for damaging their reputation, he said.

U.S., Japan, South 'Strategic Meetings' on North

SK2411063095 Seoul HANGUK ILBO in Korean 24 Nov 95 p 8

[Article by reporter Ko Tae-song]

[FBIS Translated Text] The ROK Government is making full use of and further strengthening the tripartite alliance between the ROK, the United States, and Japan to achieve a solid and comprehensive strategy on North Korea.

It was decided at a ROK-U.S. summit meeting in July 1995 to hold regular vice minister-level strategic meetings. As a result, the first high-level strategic meeting will be held in Washington on 12 December. So far, the two countries had three regular assistant vice minister-level strategic meetings in Seoul and Washington.

On 15 November, the ROK and Japanese foreign ministers agreed to hold a strategic meeting between the ROK, the United States, and Japan to discuss North Korean affairs and the security on the Korean peninsula in January 1996.

In addition, the government plans to hold a meeting of five countries, including the ROK, the United States, Japan, the PRC, and Russia, in Beijing around January 1996. Civilian and government experts on military and security affairs from these countries will discuss the establishment of the Northeast Asia Multilateral Security Communications Channel. The ROK Government has opened the door of the ROK-proposed Northeast Asia Multilateral Security Communications Channel to North Korea, and has been talking North Korea into participating in it.

Such moves are believed to be deeply related to President Kim Yong-sam's idea about the North Korean policy in the middle of his term.

The government's top priority is to prevent the sudden collapse of North Korea, which is showing ill-boding signs politically and economically, and to induce North Korea to reform and open up, and to respond to North-South dialogue. President Kim has pointed out that although cooperation from the United States and Japan is necessary for the development of North-South relations, the two countries' competition in their approach to North Korea would only worsen the situation.

President Kim even raised the responsibility of Japan's colonialism in dividing the country to strongly warn against Japan's attitude shown in the negotiations on rice aid and diplomatic relations [with North Korea]. He also indicated that various U.S. theories on the approach to North Korea are not all desirable.

Through a series of strategic meetings between the ROK, the United States, and Japan, the ROK Government will adjust the speed of foreign countries' approaches to North Korea and minimize negative effects. The government will persuade these countries that North-South relations should be given priority in developing policies on the Korean peninsula. This is interpreted as the government's commitment to take the initiative in North-South relations.

The government is aware of the need to change the North Korean policy, which has been concentrated on blocking North Korea's nuclear development. An integrated management of North Korea's political and economic situation is necessary for the development of North-South dialogue and reunification of the Korean peninsula. The government intends to convey the message to North Korea that its internal contradictions cannot be resolved without dialogue with the South.

DPRK Delegation Members 'Staying' in New York

SK2311150995 Seoul CHOSON ILBO in Korean
22 Nov 95 p 8

[Report by Yun Hui-yong from New York: "New York Has Now Become a 'Stronghold' for North Korea To Advance to the United States"]

[FBIS Translated Text] North Korea has recently intensified its contacts with officials from the U.S. political, economic, academic and religious quarters, as well as Korean businessmen residing there, using New York as the center of its activities.

An unprecedented large number of North Korean Government officials and delegates, reaching as many as 33, have been staying in New York as of 19 November. In addition to the 14 members of the North Korean mission to the United Nations, they include six members of the North Korean delegation to the UN General Assembly; nine of the members of the North Korean delegation to the light-water reactor talks; three members of the Committee for Solidarity With World People, and two members of North Korea's Disarmament and Peace Research Institute. They are engaged in various activities and have stayed in New York from a few days to over a month. If two members of the delegation to the UN General Assembly and two to the light- water reactor talks, who have already returned to North Korea, were included, the total would reach 37.

What attracted the people's attention the most were the activities of Kim Pyong-hong, director of the Disarmament and Peace Research Institute; and Kim Yul, head of a section in the institute. They delivered speeches during a seminar of the U.S. Diplomatic Society on 16 November, and attended a closed-door seminar on 17 November which was jointly arranged by the Korea Society (Chairman Donald Gregg, former U.S. ambassador to the ROK) and by the Research Institute of Korean Affairs, at Seton Hall University, sponsored by the Carnegie Foundation. On 18 November, they attended a dinner hosted by Namgung Kon, Korean resident in the United States, in his home. Namgung Kon is director of the Research Institute of Korean Affairs who has been engaged in pro-North Korean activities since the institute was formed in late 1994. The seminar arranged by the Korea Society had various aspects that should not be overlooked. One of them was, above all, is that this society had secretly pushed ahead with the seminar by inviting North Korean officials, without informing the ROK mission and ROK General Consulate of the event. Chairman Gregg invited 20-odd figures from various strata to the closed-door seminar. However, he did not inform the ROK side of the event at all. Furthermore, the organization, whose "essential mission" is to support propaganda and external activities for the ROK, secretly pushed ahead with this seminar together with the Research Institute of Korean Affairs. The director of this institute is a Korean resident in the United States who held talks with Kim Yong-sun, North Korea's secretary in charge of South Korean affairs, whenever he visited North Korea. The Carnegie Foundation and the Rockefeller Foundation, renowned U.S. research organizations, participated in this event voluntarily or at the request of somebody. The sponsoring organization sent invitation to the participants on the condition that they do not make public the contents of the remarks and speeches made during the seminar.

The movement of the three delegates from the Committee for Solidarity With World People is also alarming. They came to the United States at the invitation of U.S.-DPRK Friendship Society — a subordinate organization of the U.S. Quaker Foundation. The Committee for Solidarity With World People, together with the Research Institute of the Chuche Idea, is one of the representative vanguard organizations of the North Korean Workers Party. Arriving in the United States on 14 November, they toured New York, Philadelphia, Washington, Seattle, and the like, and met with U.S. religious leaders. But, they carried out other activities in secret.

The activities of North Korean delegates to the talks for the signing of the agreement on the provision of light-water reactors with the Korean Peninsula Energy Development Organization, which have been held in New York since late September, also attract the people's attention. At first, with the expenses issue, the delegation stayed in the Radisson Hotel in New Jersey paying $70 a day, and attended the talks held in Manhattan. After some days, they moved to a nearby Hilton Hotel which is run by a Korean woman residing in the United States. Ambassador Ho Chong used a suite in this hotel. It was learned that they are not worried very much about hotel expenses.

This hotel is usually visited each day by seven or eight Korean residents in the United States who belong to the Koryo Businessmen's Union in the eastern United States, which is a pro-North Korean organization formed a few months ago by Korean businessmen and industrialists in the New York area. It was learned that the female Korean president of this hotel seeks to advance to North Korea for business purposes.

In addition, the North Korean delegation to the UN General Assembly, staying in the official residence of North Korean mission to the United Nations, is carrying out activities for the direct contact with U.S. officials, in addition to its attendance to the General Assembly. All this shows that North Korea has assumed New York as the stronghold for its full-scale advance to the United States.

DPRK Offensive Weapons 'Dispatched' to DMZ

SK2311081195 Seoul CHUNGANG ILBO in Korean 23 Nov 95 p 2

[Report by Kim Min-sok]

[FBIS Translated Text] In North Korea, offensive long-range guns and fighter planes that were dispatched forward around the armistice line area in late November, have not returned to their units for a month. Military authorities are taking the proper precautions in various ways, such as strengthening preparations in the front line area, in the event of an emergency.

The Defense Ministry and the Joint Chiefs of Staff are especially turning their attention to the fact that, apart from the previous times when North Korea returned to their units the offensive weapons which it dispatched forward in two to three days, this time, North Korea has been maintaining such weapons around the armistice line area for a month.

A high-ranking Defense Ministry official said on 22 November: "Some 70 170-mm howitzers and 240-mm reactionary guns, as well as MiG-17 and 19 and 80 bombers (IL-28), were dispatched forward in late November, and these weapons have remained there until now. Therefore, the Joint Chiefs of Staff has ordered that duties be strengthened in the front line area and is greatly strengthening joint ROK-U.S. intelligence activities." This official also said: "Recently, along with the ROK-U.S. Combined Forces Command, the Defense Ministry started assessing the threats regarding North Korea's trends and it is known to be examining whether to raise the current status of alertness toward the North." Military authorities have, however, not ordered a concrete official military countermeasure yet.

On 21 November, President Kim Yong-sam telephoned Defense Minister Yi Yang-ho and said: "Even though the society is in a state of confusion, there must not be even an inch of error in security." In particular, President Kim ordered that alertness in the front line units must be all the more strengthened.

Internal DPRK Situation Blamed for 'Tension'

SK2311050395 Seoul YONHAP in English 0452 GMT 23 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 22 (YONHAP) — Deputy Prime Minister and National Unification Minister Na Ung-pae on Tuesday [as received] blamed North Korea's internal situation for the recent tensions in inter-Korean relations.

Na said, "South-North Korea relations have yet to overcome tension because of the North's internal situation."

Speaking at a Korea-France forum that opened at the Hyatt Hotel in central Seoul Thursday morning, Na noted, "North Korea is currently undergoing a transitional period during which it has been unable to conclude formal power transfer procedures, despite the elapse of one year and four months since the death of President Kim Il-song."

The reclusive communist country is experiencing particular difficulties in economic woes, symbolized by food and energy shortages, the deputy premier added.

He urged Pyongyang to change its stance, saying, "If it is to overcome the difficulties, North Korea has to give up its line of confrontation and closedness and pursue the road of reform and openness."

Inter-Korean trade, the unification minister pointed out, registered at 260 million U.S. dollars during the first 10 months of the year and is expected to rise easily to 300 million dollars by the end November.

"South Korea has thus emerged as the third largest trading partner for the North," declared Na.

South Red Cross Flood Relief Reaches North

SK2411104595 Seoul YONHAP in English 1013 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — The first batch of relief goods from the Republic of Korea National Red Cross (KNRC) for the victims of the extensive floods that hit North Korea last summer arrived at that country's Nampo harbor Friday.

A KNRC official said the relief items, comprised of 5,000 sheets of blankets, were accepted at Nampo by International Committee of the Red Cross (ICRC) officials posted in North Korea for distribution to flood victims.

The supplies items were originally set to be shipped from Inchon to Nampo Nov. 7.

However, the forwarding had been delayed until Thursday due to inclement weather and also a dispute over shipping insurance between the KNRC and the owner of a freighter, the official said.

"As of Friday, a total of 116 million won in flood relief funds has been raised in the South, and we will make a second delivery of relief goods shortly," he said.

The source said that the second shipment will be financed with 54 million won left unused out of the 116 million won, with an additional amount of funds to be raised in the days to come.

Ministry Report Compares North, South Economies

SK2411131495 Seoul YONHAP in English
1252 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — The economic gap between South and North Korea in terms of gross national product (GNP) drastically widened from 1.8-1 in 1946 to 17.8-1 in 1994.

According to "South and North Korean Economies Seen on the 50th Anniversary of National Liberation" prepared recently by the Ministry of National Unification, South Korea achieved a high growth of about 8 percent a year on the average during the 48-year period, while the North's growth averaged about 4 percent and has even registered minus growth in recent years.

As a result, the South's GNP grew 299 times from 1,260 million U.S. dollars in 1946 to 376,900 million dollars last year, whereas the North Korean economy saw only a 30.7 times jump from 690 million dollars to 21,200 million dollars.

In terms of per-capita GNP, the North led the South 75 to 65 dollars in 1946. In 1994, however, the South's stood at 8,483 dollars, 9.2 times larger than the North's 923 dollars. Per-capita GNP in the South soared 130.5 times in the 48-year period, whereas that of the North increased only 12.3 times.

In external trade, the South's volume jumped 536 times from 380 million dollars in 1960 to 198.3 billion dollars in 1994, while the North recorded a mere 10-fold rise from 200 million dollars to 2.1 billion dollars.

The South's total external debts reached 56.8 billion dollars as of the end of 1994, and the North's 10.6 billion dollars. Foreign debt ratio against GNP was 15.1 percent for the South and as high as 50.3 percent for the North.

The heavy debt servicing ratio of North Korea is known to have a serious effect on its economy.

In the expansion of grain production, however, the North led the South.

South Korea's grain production grew 1.9 times from 3 million tons in 1946 to 5.74 million tons in 1994, while the North's output expanded 3.2 times from 1.27 million tons to 4.12 million tons.

The South's advantage in grain yields was thus reduced from 2.4-1 in 1946 to 1.4-1 in 1994.

The two Koreas have comparable acreages of cultivated land. In 1994, the South had 2.5 million chongbo (about 6.2 million acres) of arable lands and the North 1.97 million chongbo (about 4.8 million acres).

Farm population in the South was more than halved from 13.15 million in 1946 to 5.16 million in 1994, while that in the North soared from 4.7 million to 8.67 million.

In the deposit, distribution and exploration of underground resources, the North leads South Korea.

Coal output in the South increased from 5.35 million tons in 1960 to 7.44 million tons in 1994, while the North's output quadrupled from 11.76 million tons to 43.3 million tons.

In iron ore production, the South's output was about halved from 390,000 tons to 190,000 tons, while the North's production more than tripled from 3.11 million tons to 10.3 million tons.

In power generating capacity and output, North Korea with 800,000 kilowatts and 2.4 billion kilowatt-hours (kwh) outpaced the South's 200,000 kilowatts and 700 million kwh in 1946.

The gap reversed in 1972 and the South in 1994 had four times larger power generating capacity and seven times higher power output than the North.

In oil refining facilities, the South in 1994 had a daily average production capacity of 1.7 million barrels and a daily average refining capacity of 1 million barrels.

The North, meanwhile, was capable of refining 70,000 barrels of crude oil per day on average. Due to crude oil shortages, however, the North's operational rate of oil refining facilities fell below 30 percent.

The South imported 78.03 million tons of crude oil in 1994, 85 times more than the 910,000 tons the North imported last year.

North Korea's steel output, which was more than four times that of South Korea as recently as the early 1970s, stood at 5.98 million tons in 1994 compared with the South's 35.33 million tons with the ratio being 5.7-1 in favor of the South.

In automobile production, the South emerged as the sixth-largest producer in the world in 1994 with the production of 3.08 million units, whereas the North produced only 33,000 units. The South had a total of 7.4 million vehicles in operation against the North's 270,000 units, which were mostly trucks and buses.

Insufficient or superannuated infrastructure is one of the most serious problems that the North confronts. The total length of North Korean roads in 1994 stood at 23,000-odd kilometers (km) against more than 74,000 km in the South. The South's total length of railroad tracks was 6,559 km, compared with the North's 5,112 km.

In international air transportation, the South in 1994 flew 483 flights a week to 26 countries with a fleet of 188 passenger aircraft. In comparison, North Korea flew 23 passenger aircraft over four routes to six countries.

Seoul, Japan Agree To Joint Nuclear Projects

SK2411031195 Seoul YONHAP in English 0259 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — South Korea and Japan agreed Friday to launch joint projects on the development of techology for interpretation of the impact of radiation on an ecosystem and operation of nuclear reactors, a Foreign Ministry spokesman said Friday.

During a bilateral meeting on the peaceful use of nuclear energy, the two countries also agreed to start joint research projects on the development of atomic energy technology, he said.

The meeting, the fifth of its kind, also addressed ways to promote information and manpower of the two countries in the field of nuclear safety technology, he said.

Director General Yun Chi-chun of the Foreign Ministry's International Economics Affairs Bureau and the Japanese Foreign Ministry's Kawamura Takakatsu, who is in charge of science and technology, represented South Korea and Japan, respectively, at the annual bilateral nuclear talks.

Next year's talks will be held in Tokyo during the latter half of 1996.

North Reportedly Rejects Jiang Zemin Visit Idea

SK2411030895 Seoul CHUNGANG ILBO in Korean 24 Nov 95 p 2

[FBIS Translated Text] The 23 November edition of the FAR EASTERN ECONOMIC REVIEW, published in Hong Kong, reported that North Korea has rejected a PRC proposal for President Jiang Zemin to visit North Korea, thus angering the PRC.

The FAR EASTERN ECONOMIC REVIEW reported that the PRC proposed President Jiang Zemin visit North Korea to maintain a balance, in light of his visit to the ROK, but North Korea rejected the proposal, saying Kim Chong-il is still overwhelmed by sorrow over the death of Kim Il-song.

It is not certain whether it is a retaliatory measure against the North because of the refusal, but since then, in a departure from past practices, Beijing has ordered that Americans [migugindul] who want to travel to the PRC from North Korea must receive entry visas through the PRC Embassy in Pyongyang. Thus, in mid-November eight American tourists [miguk yohaenggakdul] in Pyongyang were rejected from boarding an airplane bound for Beijing.

Envoy to PRC Submits Resignation To Campaign

SK2411094495 Seoul YONHAP in English 0853 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — South Korea's Ambassador to China Hwang Pyong-tae submitted his resignation Friday to run for office here, a Foreign Ministry official said Friday.

The outgoing diplomat, having served at his post for almost three years, will return to Beijing Saturday to step down from his position. Upon his return to Seoul early next month, Hwang will start campaigning for a parliamentary seat at his hometown of Yechon in North Kyongsang Province, the official said.

Hwang has received criticism from opposition parties that he neglected his duties by overstaying in Seoul for nearly two weeks for Chinese President Jiang Zemin's state visit, which ended here Nov. 17.

Foreign Ministry Spokesman So Tae-won dismissed such notions, saying, "It's not the case actually. Ambassador Hwang stayed in the country for about one week after Jiang left the country last Friday just to finish procedural matters involving Jiang's state visit here and to consult relevant government agencies on diplomacy with China."

The spokesman insisted that Korean ambassadors who come to Seoul for business purposes usually stay for a certain period of time after finishing official schedules for policy coordination with relevant government agencies.

Responding to blasts from opposition parties alleging that Hwang did not return to Beijing in order to campaign in his hometown, a Foreign Ministry official countered, "He visited Yechon to pay tribute to his parents' graves because he has been out of the country for a long time."

"He may have met some of his relatives and friends to seek support for his bid for election in his hometown to the National Assembly next April," he said.

So said that he understood that the ambassador had already expressed his intention to resign to Foreign

Minister Kong No-myong and the Chinese Foreign Ministry to declare his candidacy for parliamentary elections in April.

"Anyway, Ambassador Hwang is not a career diplomat but a political appointee who was once a lawmaker and a senior aide to President Kim Yong-sam," another official said.

He added that he could not understand the claim by the opposition that Hwang lacks diplomatic courtesy in publicly announcing his desire to quit even before the Foreign Ministry formally accepts his resignation.

"For instance, the United States Embassy here had no ambassador for months before Ambassador James Laney replaced his predecessor Donald Gregg in early 1993," the source said.

"As far as I know, Gregg submitted his resignation and returned to the U.S. even before its government presented an agreement for the appointment of a new ambassador because the administration led by George Bush was set to be replaced by Bill Clinton's government," he said.

According to the official, this kind of personnel change is widely accepted in diplomatic circles, especially for political appointees.

"Even if we judge the case of career diplomats, Hwang has almost served out his three-year term since he took up the post in April 1993," he said.

Expressing strong displeasure with the opposition parties' remarks bashing Hwang for making "Comments which lack diplomatic courtesy," the official said, "they should have studied closely what an actual lack of diplomatic courtesy is before making those accusations."

Economy, Finance Minister Hong Addresses Seminar

SK2211101595 Seoul YONHAP in English
0855 GMT 22 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 22 (YONHAP) — Planning to ease restrictions on the outflow of foreign exchange to other countries next year, the government hopes that the further opening the securities market to foreign investors will expedite the influx of capital overseas into the nation, Finance and Economy Minister Hong Chae-hyong said Wednesday.

Delivering a keynote speech at a seminar on the economy's globalization trend, Hong stressed the need for Seoul to pursue a policy speeding up capital outflows overseas next year.

Specifically, the Finance and Economy Ministry is reportedly studying plans to increase the upper limit of individuals' deposits with overseas banks from the current 30,000 U.S. dollars to a range of 50,000 to 100,000 dollars.

For overseas relocation expenses of emigrants, the study calls for an increase to 1 million dollars from the current 500,000 dollar limit and raising the limit for four-member families from 1 million to 2 million dollars. It also calls for the deregulation of investments in overseas securities markets.

In the event that former President No Tae-u's slush fund scandal, combined with the weakening Japanese yen, exerts an adverse effect on the economy next year, Hong said that the government will reschedule many government-funded projects, such as infrastructure expansion projects, so that they can be launched within the first half of 1996. This will help the economy cope with any unfavorable influences, he added.

In addition, the target range of money supply growth will be increased next year from the current range of 12-16 percent to ease financial hardships that businesses may face in the coming months, Hong said.

Chief Secretary Denies Kim Yong-sam Funds Link

SK2311094795 Seoul YONHAP in English
0849 GMT 23 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 22 (YONHAP) — President Kim Yong-sam has nothing to do with slush funds raised during the Fifth and Sixth Republics, his Chief Secretary Han Sung-su said Thursday.

Testifying before the National Assembly Budget and Settlement Committee, Han asserted, "The incumbent administration has received no slush funds from the Fifth or Sixth Republics, nor is there any record of it... The president hasn't received even a penny from anyone and will keep his word about it in the future. 'Governing funds' of the past have nothing to do with President Kim."

The president's chief secretary was pressed by lawmakers to disclose how much campaign funds the chief executive received from his predecessor No Tae-u during his 1992 successful presidential bid.

Han responded, "details of the ruling Democratic Liberal Party's presidential election campaign funds will be disclosed as a matter of course in the process of the ongoing prosecution probe into the slush fund scandal... Chongwadae [presidential offices] has not intervened at all during the prosecution's investigation."

When asked to reveal those figures who conferred with President Kim during his recent stay at Chongnamdae, Han replied, "Although several speculative stories have appeared in the newspapers, the president never met any outside visitors."

The president is "very strict" in controlling his family members and relatives, Han added.

Prosecution Begins Yulgok Military Purchase Probe

SK2411122495 Seoul YONHAP in English 1010 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Dec. 24 (YONHAP) — The prosecution has begun an all-out reinvestigation into alleged irregularities involving the Yulgok military purchase project which was carried out under the No Tae-u government.

An Chung-su, chief of the Central Investigation Department of the Supreme Public Prosecutor's Office, said in a routine press briefing Friday afternoon that his office had received documents that the Board of Audit and Inspection (BAI) had filed from its 1993 probe into the Yulgok project.

"We will have a close review of the documents and then decide whether to get down to an all-out investigation into the case," An said.

However, he dropped a hint that his office had already begun an inquiry, saying, "We will continue our probe into the Yulgok-related irregularities even after No is indicted (Dec. 5)."

The prosecution will primarily focus on the part of the project which may be particularly related to the raising of No's slush fund but plans to expand its probe into all other suspicions that were raised at the time of BAI's investigation in May 1993, depending on developments, a prosecution source said.

Defense Ministry Protests MBC, SBS Dramas

SK2411041095 Seoul THE KOREA TIMES in English 24 Nov 95 p 3

[FBIS Transcribed Text] The Defense Ministry yesterday sent a letter to the presidents of the Seoul Broadcasting System (SBS) and Munhwa Broadcasting Company (MBC) protesting what it called distorted depictions of historical events damaging military morale in the two networks' television dramas dealing with the days of the late president Pak Chong-hui rule and the successful 1979 Dec. 12 coup by then-general Chon Tu-hwan.

The two dramas are attracting the close attention of television viewers as they deal with such once-taboo subjects as the two coup leaders' armed rise to power and a supposed power struggle preceding the 1979 coup among top brass in the Armed Forces.

In the letter, ministry spokesman Yun Chang-no said that MBC's 'Fourth Republic' and SBS's 'Koreagate' are competing to depict soldiers in a ridiculous manner without historic reason.

"These depictions are likely to mislead people, give them a false view of history and alienate the Armed Forces from them," he said. "We call for both broadcasters to correct this and to make dramas that adopt an objective point of view."

He claimed in the letter that the two dramas reenacting the activities of ex-presidents Chon, No Tae-u and other military leaders during the coup depicted the Armed Forces as a "violence- oriented and negative group," demoralizing top brass and rank and file soldiers. The letter said that the dramas distort historical facts in the military-related parts and put down officers, threatening to upset the military chain of command, the very foundation of the Armed Forces.

The two political dramas have been reworked to deal in depth with the Dec. 12 coup and the ex-presidents and to cater to the popular interest jacked up by the No Tae-u slush fund scandal now enveloping the country.

DLP, Seoul Plan To Write 'May 18 Special Law'

SK2411065595 Seoul YONHAP in English 0651 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — The government and the ruling Democratic Liberal Party [DLP] decided Friday to legislate a "May 18 Special Law" during the current regular plenary session of the National Assembly.

President Kim Yong-sam issued the directive for the legislation of the special law to DLP [Democratic Liberal Party] Secretary-general Kang Sam-chae during a lunch meeting, Rep. Kang said in a press conference.

The DLP secretary-general said that President Kim emphasized the need for the law, stating, "The May 17 coup d'etat degraded the honor of the country and damaged the sense of self-respect of the nation, making all (of us) feel saddened."

The president, concurrently the head of the DLP, was also quoted as saying that "the coup also defamed the honor of soldiers who were devoting themselves to the defense of their fatherland and people as the last bastion of the country."

"We should prove that justice, truth and the law are alive on this soil on the occasion of the legislation of the special law," President Kim was quoted as saying.

Replying to questions on who would be subject to punishment by the new law, Rep. Kang said, "As far as I know, former Presidents Chon Tu-hwan and No Tae-u will be included.

"You can get a sense of who will be punished if you recall President Kim's remarks that described those who caused suffering to the people by staging the coup d'etat'," Kang said.

Responding to questions on whether the legislation of the May 18 special law requires the indictment and punishment of those figures responsible for the Kwangju incident, Kang said that he expects the persons concerned in the coup will be subject to legal action.

When asked whether the law's enactment means the severance of relations with the Fifth and Sixth Republics, Kang replied, "Make no guess that goes too far."

Rep. Kang said that the legislation of the special law is an issue which must be attended to under all circumstances. He made the remark when asked about the motivation behind his party's decision to change its long-held policy of not determining its position toward the May 18 issue before the Constitutional Court made a ruling.

Asked if there would be any problems in the statute's retroactive application, he replied, "Legal affairs concerning the law will be studied by the party's legal experts and lawmakers who specialize in legal matters."

The secretary-general said that President Kim did not sufficiently grasp the real situations of both the May 17 and Dec. 12 incidents when he was an opposition leader. "President Kim has put up with the work of revealing truths of the incidents since his inauguration and has continuously endeavored to get the true picture even after the prosecution's investigation began."

Kim Yong-sam Comments on Law

SK2411104795 Seoul YONHAP in English
1006 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — President Kim Yong-sam said Friday [24 November] that the facts of the May 18 Kwangju incident should be thoroughly revealed to show the people that the country's sense of justice, truth and law are alive.

The head of state made the remarks while presiding over a meeting of his senior secretaries in the afternoon, while explaining to them the background of his instruction to enact a "May 18 special law," according to presidential Spokesman Yun Yo-chun.

He quoted Kim as saying that those who were responsible for the bloody suppression should be dealt with under the law.

He emphasized, "A military coup cannot be justified or accepted in any case since it degrades the honor of the military, which is the last bastion to protect the nation and people, the spokesman said.

"The military coup in 1980 was a shameful event in the history of the nation and a tragedy of tragedies, and such a thing should never happen again. So, I made the firm resolution (to legislate the special law) to rectify the country's history," Kim insisted.

He stressed that he would firmly deal with the Kwangju issue for the future of the nation and people, according to the presidential spokesman.

Meanwhile, the statute's enactment does not mean that the government will adopt a "special prosecutor appointment system" which opposition parties are calling for, the spokesman said.

To Also Address 12 Dec Incident

SK2411100695 Seoul YONHAP in English
0956 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — The projected "May 18 special law" will cover affairs related to the Dec. 12, 1979, military incident as well, senior presidential Spokesman Yun Yo-chun said Friday.

"The special law is not limited to the May 18, 1980, bloody suppression of the Kwangju civil uprising but will also cover developments dating from the Dec. 12 incident," he said.

He said, "The special law will not only cover May 17 coup d'etat but will extend to the Dec. 12 incident which has been described by President Kim Yong-sam as a coup d'etat-like incident."

Ex-President Chon Refutes Plan

SK2411130495 Seoul YONHAP in English
1238 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — Former President Chon Tu-hwan said Friday that the government's decision to legislate a "special law" on the Kwangju incident is an act that "both ridicules the people and disregards the constitution that bans retroactive legislation."

In a statement he issued in reaction to President Kim Yong-sam's directive for the legislation of the "May 18 special law" earlier in the day, Chon said that the people will not tolerate the government's forcible legislation of the special law.

"If the government forces its way to enacting the law on the May 18 bloody suppression of the Kwangju civil uprising, it will leave a blemish that cannot be eradicated in the country's constitutional history," a spokesman for the ex-president said in a statement.

Chon, who became president after playing a key role in the bloody suppression of a "democratization movement" in southern Korea in 1980, claimed that the real truth about the incident has already been revealed in a series of parliamentary hearings that lasted for one and half years in the 13th National Assembly.

"At that time, leaders of four political parties declared a political settlement to the issue on Dec. 15 in 1989," Chon noted.

He further said that the prosecution also decided this year, winding up a 14-month-long investigation, not to seek indictment in view that they did not find any enough motivation for doing that.

'Figures' Welcome Planned Law

SK2411122095 Seoul YONHAP in English
1141 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — Leading figures in Kwangju, the scene of the disastrous May 18, 1980 incident, on Friday invariably welcomed the decision of the ruling Democratic Liberal Party (DLP) to promote the legislation of a special law against those responsible for the brutal suppression of the Kwangju uprising.

Saying that the law to be enacted should be such as can shed light fully on the truth of the incident and also can mete out due punishment to those responsible, people voiced the need to introduce a special prosecutor system to make the planned special law a success.

Kwangju Mayor Song Un-chong said he welcomes President Kim Yong- sam's instructions on the legislation of a special law as it is a step to shore up national spirit and restore social justice.

He said that the projected special law should be an occasion to recompense the victims of the Kwangju incident fully and to dispel any recurrence of a coup d'etat on this land.

The mayor also appealed to Kwangju citizens to do their best at their respective duties and thereby help uncover the truth of the Kwangju incident.

A leader of the bereaved families of Kwangju victims said he welcomes the DLP move.

"But, what is more important than the legislation of a special law itself is that the projected law should contain proper clauses," said Chong Yong-man, chairman of the Bereaved Families Society.

He stressed the law should have clauses that expressly regulate the punishment of those responsible for "massacre" in the Kwangju uprising.

Prof. Hong Kum-u of Chosun University said the decision to enact a special law is belated, but it is fortunate that the government accommodated the people's demand.

Given the public's distrust in the judiciary and prosecution, Hong said, the planned special law should employ a special prosecutor system by all means.

Another professor said the decision gives the impression that the ruling party has reluctantly resolved to legislate a special law driven to the corner by mounting public demand.

To ensure fair investigation, the introduction of a special prosecutor system is a must, said Prof. Mun Sok-nam of Chonnam National University.

"Only a special prosecutor independent of any office holder can carry out investigation fairly," Mun said.

Sim Nan-sop, president of the Kwangju Area Bar Association, said he welcomes the DLP decision to promote the legislation of a special law.

The decision, he said, was proper in view of the growing people's demand for the punishment of those responsible for the bloody suppression of the Kwangju uprising.

"I would like to attach an exceptional significance to the fact that the DLP which refused to enact a special law has come to promote it," shim said.

Yi Mong-sok, president of the Chonnam University Student Council, said President Kim Yong-sam's decision to enact a special law was the result of the people's relentless struggles to restore the national righteousness through the uncovery of the truth of the Kwangju incident and the punishment of those responsible for "massacre."

"We will exert all available efforts to see to it that the proposed special law will not end in another June 29 declaration," the student leader said.

People in Seoul also saluted the DLP decision to promote the legislation of a special law. "Though it is belated, we hope the projected law will serve as a momentum to digging out the truth of the incident," a passenger awaiting a bus at the Seoul Express Bus Terminal said.

Pak Won-sun, secretary general of the Citizens Coalition for Participation Democracy, said, "We welcome the decision to legislate a special law on the May 18 incident."

He said he expects a special law to be legislated will be able to fully uncover the truth of the incident and facilitate legal actions against those involved.

Yi Sang-su, a lawyer, said the special law to be enacted should employ a special prosecutor by all means.

"We should take the occasion to prepare a legal base for punishing unethical and anti-constitutional criminals like those responsible for the Kwangju incident at any time without being bound by legal prescription," Yi said.

NCNP Welcomes President's Order

SK2411123095 Seoul YONHAP in English
0754 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — The major opposition National Congress for New Politics (NCNP) welcomed President Kim Yong-sam's instruction Friday to legislate a May 18 special law.

NCNP spokesman Pak Chi-won commented, "Kim's instruction is tantamount to an acknowledgement that the prosecution's decision to not accuse those who were involved in the bloody suppression of the Kwangju democratization movement on May 18, 1980, was wrong. And we welcome it in principle."

However, he said that "a substantial probe can be realized only when a special prosecutor is appointed, which in turn will make the establishment of the special law meaningful."

The spokesman added that his party will do its utmost to enact the law and to introduce the special prosecutor system during the ongoing session of the National Assembly.

Burma

Three Jailed After Protest at Suu Kyi's House

LD2311122295 Melbourne Radio Australia in English 1100 GMT 23 Nov 95

[FBIS Transcribed Text] In Burma, three people have been jailed over an incident outside the house of the opposition leader, Aung San Suu Kyi. Evan Williams reports from Rangoon that two students and a member of Ms. Suu Kyi's National League for Democracy party were sentenced just days after an altercation with police over new barricades.

[Williams] The three were each given two years' jail for preventing officials doing their duty and insulting a police officer. Witnesses say the incident occurred when a big crowd surged toward newly installed temporary barricades outside Suu Kyi's house. The three moved toward the barricades, then approached police to have them removed, and were instead arrested. They were sentenced Wednesday [22 November], just days after the Saturday incident, possibly as a warning to large crowds gathering outside her home for Suu Kyi's weekend speeches. Fifty-four barbed wire barricades are being placed along both sides of the road, ostensibly to keep the road clear during Suu Kyi's addresses, then removed. But observers feel they are a signal of tight military scrutiny.

Evan Williams, Rangoon.

Tin U: NLD To Attend National Convention

BK2411033395 Melbourne Radio Australia in English 0100 GMT 24 Nov 95

[FBIS Transcribed Text] Burma's opposition, National League for Democracy [NLD], says it will attend the military government's upcoming convention on a new constitution. But, as Evan Williams reports, the opposition party led by Aung San Suu Kyi has warned it will review future participation if the military junta refuses to discuss key aspects of the policy.

[Begin Williams recording] Party Vice Chairman U Tin U says NLD delegates will attend Tuesday's opening of the convention. The opposition mainly opposes the military's insistence on keeping for the Army a quarter of all legislative and executive positions and unquestioned control of the military budget. The NLD will consider action if the Army refuses to negotiate during the process of the convention. Its danger lies in being seen to be powerless against the military's central process of retaining power. But Tin U said the party cannot allow key principles to be enshrined without challenge, and action will be taken if there is no accommodation by the Army. There is no time limit on when the convention will end or when the opposition wants changes.

Evan Williams, Rangoon. [end recording]

Opposition: Constitutional Convention 'Sham'

BK2411095395 Hong Kong AFP in English 0923 GMT 24 Nov 95

[FBIS Transcribed Text] Bangkok, Nov 24 (AFP) — Anti-Rangoon exiles Friday declared Burma's national constitutional convention to be "a sham" and called on the junta to halt it immediately.

In a statement received here, the National Council of the Union of Burma (NCUB) demanded a nationwide ceasefire and general amnesty followed by talks between the junta and the opposition.

The opposition should be represented by "the democratic forces led by Daw Aung San Suu Kyi and the ethnic nationalities," it said.

The NCUB endorsed the opposition leader's warning that her National League for Democracy (NLD) might boycott the convention, which began meeting in January 1993 to frame a new constitution for Burma.

The convention, set to resume deliberations Tuesday after a seven-month hiatus, "is a sham one and is totally against the aspiration of the political parties that actually represent the ethnic nationalities and masses of people," it said.

Comprising delegates hand-picked by the junta plus representatives of ethnic minorities and political parties, the convention was set up after the junta refused to hand over power following the NLD's victory in 1990 general elections.

Known as the State Law and Order Restoration Council (SLORC), the junta has said it would transfer power on adoption of a new constitution, which is expected to codify a continuing role for the military in government.

"SLORC should immediately stop this convention and open the way for a just and right national convention," the NCUB held.

"Through this illegal convention, the emerging draft constitution of the state shall be null and void," it held.

The NCUB groups the National Coalition Government of the Union of Burma (NCGUB), the NLD (Liberated Area), the Democratic Alliance of Burma (DAB) and the National Democratic Front (NDF).

Brunei, Malaysia & Singapore

Malaysia

Mahathir Welcomes Balkan 'Peace Agreement'

BK2211160595 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 22 Nov 95

[FBIS Translated Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed has expressed relief now that the Balkan peace agreement has been achieved, saying that the Malaysian Government wishes everlasting peace for Bosnia. He was responding to President Bill Clinton's announcement on the success of the peace talks in Dayton, Ohio, the United States.

[Begin Mahathir recording] I feel relieved about the achievement of the peace agreement. I do not know the contents of the agreement but I feel relieved that the three parties have reached a consensus to end the war and are willing to cooperate under the Federation of Bosnia. It does not really matter who gets the credit or the debit. The most important thing is that the war and the unfair killings are brought to an end. It was unfair for the Bosnians who were not supplied with weapons to defend themselves. The United Nations and NATO did not do anything to protect them. [end recording]

Dr. Mahathir has also expressed regret over the stubbornness of France which conducted its latest nuclear test.

[Begin Mahathir recording] I am very disappointed with France for not taking into account the international community's view on the matter. If we do feel that this is a reflection of France's arrogance when it continues to conduct the nuclear tests without heeding the international community's protests. However, there are people who support France's action, and in my opinion these people are equally as arrogant as the French. [end recording]

Daily Comments on Bosnian 'Fragile Peace Treaty'

BK2311114495 Kuala Lumpur BERITA HARIAN in Malay 23 Nov 95

[Editorial: "Bosnia: A Fragile Peace Treaty" — received via Internet]

[FBIS Translated Text] The presidents of the three Balkan states agreed yesterday to peace in Bosnia and to end the four-year ethnic war that has claimed many lives. Bosnian President Alija Izetbegovic, Croatian President Franjo Tudjman, and Serbian President Slobodan Milosevic initialed the 11-page peace agreement in a brief ceremony, even though the peace talks had dragged on for 21 days. The peace agreement will become effective when it is formally signed in Paris in middle of December.

Perhaps, the current agreement was reached because the warring sides are already bored fighting one another in a war that has been marked by all kinds of cruelty and resulted in about two million being made refugees. We are aware that the basic issues have not been sorted out and settled by the three sides. In any case, many parties have hailed the outcome of the talks. Among the fundamental issues is, can Bosnia with a multireligious population maintain peace when it still harbors strong feelings of enmity and revenge? How much administrative power can one give to the Serb minority, who has been known for their cruelty and aggression? Does Milosevic have the authority and will to force the Serb terrorists in Bosnia to obey his instructions and respect the peace agreement?

We do not doubt the sincerity of Izetbegovic because he has fulfilled his promises several times. As a matter of fact, in this case, the group under the leadership of Izetbegovic is the loser. In his statement after the peace talks, Izetbegovic said: "This may not be a just peace but it is more just than a continuation of the war." This is definitely the voice of a peace lover. However, the Serbs who are known for their arrogance and aggression, are still not satisfied and claim that the peace agreement is not in their interest.

Obviously, the Bosnian Serb negotiating team are opposed to a clause in the agreement that allows a NATO force to become a permanent military contingent in Bosnia. According to the agreement, the NATO force has the right to transfer or relocate its soldiers and weapons anywhere if their position is threatened. The Bosnian Serb team also disagreed with the return of a besieged area near Sarajevo to the Bosnian Government. In this case, the sincerity of the Serbs in reaching the peace accord is rather doubtful.

The agreement recognizes Bosnia as a single state that is divided into two parts — one under the jurisdiction of the Muslim Croat Federation and the other under the Bosnian Serb Republic. This means that the Bosnian Government is forced to give up its claim to 49 percent of the territory under its jurisdiction. The peace plan has proposed that a central government be established with the appointment of a president and a parliament, the acceptance of the return of refugees and compensation payments, the separation of rival armies by a demilitarized zone and rehabilitation of the state.

It is not clear how a government to be set up after a cease-fire and made up of warring sides would function effectively. Sarajevo may be integrated but the area in the eastern end, including the Serb headquarters Pale is still in the hands of the Serbs. This indicates that hostility still exists.

Many people have perhaps commended President Bill Clinton's efforts in making the warring sides reach a peace agreement. Certainly, everyone supports any effort to create peace. However, what we are suspicious about is the motive of the peace plan that has been agreed upon hurriedly. We do not want the plan to become a tool to raise Clinton's image when he is facing various challenges in the United States. If this is true, the ideals of the peace accord will finally turn into a nightmare that will be worse than a continuation of the four-year war. However, based on the absence of complete facts of the agreement, surely many groups are uncertain about its effectiveness including the Bosnians themselves. Let us hope that the uncertainity will not break into a conflict again in the Balkans.

Cambodia

King: Detention 'Small Inconvenience' for Sirivut

BK2311100295 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 23 Nov 95 pp 1, 11

["Rectification" by Cambodian King Norodom Sihanouk dated 20 November]

[FBIS Translated Text] 1. Some foreign journalists have just written again that Cambodian peasants of both sexes regard me as their God-King.

If most of my country's esteemed peasants still love me these days, it is not because they believe in my "godness" but only because they are fair to me. They love me because all I have done has been positive and useful for the Cambodian motherland and people.

2. I am not the one who has placed my half-brother Prince Kromkhun Norodom Sirivut "under house arrest." However, permit me to say that being under house arrest is a "very small inconvenience" for the prince. Also permit me to tell my half-brother that it is best for him to stay inside the house because there are many anti- Sirivut elements "outside" who are seeking to kill him.

3. It is very dubious for some journalists to have written that Norodom Sirivut's present predicament would deprive him of a chance of succession after Norodom Sihanouk's death. The truth is that even if Norodom Sirivut did not have political or any "problems," after I die, Sirivut will have a very slim chance of being elected king of Cambodia by the Council of the Throne in its current composition.

Police Confiscate Guns From Sirivut's Home

BK2311081095 Hong Kong AFP in English 0801 GMT 23 Nov 95

[FBIS Transcribed Text] PHNOM PENH, Nov 23 (AFP) — Cambodian police have confiscated 19 guns from the house of Prince Norodom Sirivut, the half-brother of King Norodom Sihanouk, who has been charged in connection with a plot to kill co-premier Hun Sen, sources said Thursday.

The guns, six AK-47 and two M-18 assault rifles and a variety of others including air guns used for hunting, were discovered during a search of the prince's villa on Wednesday, the sources said.

The prince has been charged under three laws including an anti- terrorism law, a criminal conspiracy law and a law that forbids attempting to overthrow the government. He could face a sentence of up to life in prison if convicted.

Several sources said it was not unusual in Cambodia for a man in Prince Sirivut's prominent position to have weapons in his possession.

"This discovery has nothing at all to do with these charges," said one. "This has to do with defending himself."

The source said many government critics and high-profile people considered to be dissidents by the ruling coalition have guns in their houses.

"These guys live in constant fear for their lives," he said.

Prince Sirivut, who has been in custody since Tuesday, remained at the Ministry of Interior pending the results of a court investigation that could take as long a six months to complete.

The prince's wife, Princess Christine Norodom and their three young children, all of whom are French citizens, spent Wednesday night at the French Embassy but the princess has not requested asylum, according to diplomatic sources.

In a related matter, King Sihanouk, who is to leave the country in apparent protest of the treatment his half-brother has received, was expected to release a statement about his decision to leave that would be read on national television.

Sources close to the palace said he would explain that his blood pressure had risen to a dangerous stage and that he needed a medical check-up and a rest at his residence in Beijing.

However, several sources said the king was not leaving for medical reasons.

"They're leaving because they are totally disgusted," the Cambodia Daily newspaper quoted one source as saying Thursday. "By staying they could be endorsing this regime — it reminds them too much of the Khmer Rouge era.

Khmer Rouge Condemn SRV-Hun Sen 'Coup'

BK2311032195 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 22 Nov 95

[Communique issued by the spokesman of the Provisional Government of National Union and National Salvation on 22 November; place not given]

[FBIS Translated Text] I. During the night of 17 November, communist Vietnam and its cheap lackey Hun Sen staged a big show, an orchestral overture, by rolling tanks and armored vehicles into the capital, placing heavily armed Vietnamese sappers all around Phnom Penh, and arresting Prince Sirivut, secretary general of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party.

II. This was a display of force by communist Vietnam, a tactical act to frighten and attack, a mock coup d'etat paving the way for a real coup that will enable communist Vietnam and Hun Sen to gain even more total and complete control of the country. The principal directors and lead villains in this farce are Le Duc Anh and the Communist Party of Vietnam — the leading butchers who have been slaughtering the Cambodian nation and its people for the past 17 years and more. The local villain is Hun Sen.

III. Why did communist Vietnam and Hun Sen incriminate Prince Sirivut?

1. They aimed to completely deprive FUNCINPEC of its head, as Prince Sirivut was still the party's secretary general.

2. They aimed to intimidate His Excellency Sam Rangsi's Khmer Nation Party and His Excellency Son Sann's Buddhist Liberal Democratic Party and also to silence other politicians.

3. Their aim was directly at the royal palace and his majesty the king in order to keep other political parties and figures from using the king's name as a rallying point for the policy of national reconciliation and peace. Moreover, they did this in order to place the royal palace and his majesty the king in constant fear and awe of communist Vietnam and Hun Sen so that they will serve the latter's policy forever.

Some people have linked this incident to the invitation by Le Duc Anh to his majesty the king to visit Hanoi next month. According to these people, they did this in order to terrify his majesty the king prior to his visit to Hanoi. They wanted to force his majesty the king to do something or to make some gesture that could be construed as his approval of the annexation of Cambodia by the communist Vietnamese aggressors or somehow to resoundingly praise communist Vietnam for invading and occupying Cambodia.

IV. The Provisional Government of National Union and National Salvation [PGNUNS] voices stern and resolute condemnation of the latest fascist coup d'etat staged by communist Vietnam, Le Duc Anh, and their cheap lackey Hun Sen to give themselves even more complete and total fascist, dictatorial, and absolute control of the country.

This extremely fascist, savage, and barbarous incident very clearly shows that his majesty the king, the monarchy, and the Constitution are on paper only; they have no rights or powers whatsoever. Communist Vietnam and its extremely fascist and subservient goon Hun Sen can trample on them as they please.

The only option left for us in this situation is to wage a struggle. The entire Cambodian nation and all of its people must continue to join in the struggle that is being waged in every form, by every means, and at every locality in order to end the war of the communist Vietnamese aggressors so that Cambodia can again enjoy true peace and to end the regime of the communist Vietnamese puppets and set up a Cambodian regime in which all Cambodian sides and political parties participate, with the exception of the five top traitors — namely: 1) Hun Sen, 2) Chea Sim, 3) Sar Kheng, 4) Heng Samrin, and 5) Tie Banh.

[Dated] 22 November 1995

[Signed] PGNUNS spokesman

Indonesia

Suharto Welcomes Bosnian 'Peace Accord'

BK2211140695 Jakarta ANTARA in Indonesian 1008 GMT 22 Nov 95

[FBIS Translated Excerpt] Jakarta, 22 Nov (ANTARA) — President Suharto has welcomed the peace accord reached by the leaders of Serbia, Bosnia-Herzegovina, and Croatia at talks in Dayton, Ohio.

"President Suharto hopes that the agreement will pave the way for the improvement of people's lives in that region," Minister- State Secretary Murdiono told reporters at Jakarta's Merdeka Palace on Wednesday. Serbian President Slobodan Milosevic, Croatian President Franjo Tudjman, and Bosnian President Alija Izetbegovic initialed the peace accord on Tuesday in Ohio following the three-year-old war. Murdiono said the peace accord is in accordance with Indonesia's desire to see peace in the former Yugoslavia. [passage omitted on Murdiono's plan to attend seminar].

Iraqi Envoy Urges Exchange of Official Visits

BK2211014295 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 21 Nov 95

[FBIS Translated Text] Iraq hopes that its ties with Indonesia will expand through an exchange of visits by the two countries' members of parliament. Iraqi Ambassador to Indonesia Sa'dun al-Zabaydi stated this when paying a courtesy call on House Speaker Wahono today to introduce himself as a new envoy.

The Iraqi ambassador also mentioned Iraqi people's severe hardships as a result of the UN embargo. He added that a visit to Iraq by Indonesian members of parliament will provide valuable moral support to the Iraqi people.

Resistance Issues Statement on Captured Timorese

BK2311075495 (Internet) INDONESIA Listserv in English 23 Nov 95

[Statement issued by the National Council of Maubere Resistance on 22 November — place not given]

[FBIS Transcribed Text] Sources in Dili inform that on Monday night (20 November) a boat carrying about 25 East Timorese was detained by Indonesian military authorities at Be Aco, Viqueque, on the eastern end of East Timor. Some twenty of the boat passengers were attempting to flee the territory, heading for Darwin in Australia. The group is reported to include 13 males, 5 females and 2 young girls. Names are as yet not available.

The boat left Hera near Dili on Saturday 18 November at 19.00 hours, and was stopped near Be Aco, Viqueque, on Monday night. The military, reportedly in two helicopters, arrested the passengers, who have disappeared. No report about their capture has been issued by the authorities so far.

Last June 18 people fled East Timor for Darwin in Australia, and asked for refugee status. Indonesia is exerting strong pressure on the Australian government to refuse the request, in an attempt to minimise embarrassment. Indonesia claims the refugees have no reason to flee the occupied territory, where they are treated well, and that their motives are not legitimate, aiming merely to better their economic prospects. The refugees, in turn, have provided extensive accounts to the Australian media of the torture they have been subjected to by the Indonesian military. Australian TV has shown images of the scars on the refugees' bodies, evidencing torture. Professional counsellors who have interviewed them while they were in an Australian immigration detention camp, have diagnosed the refugees as suffering deep trauma as a result of torture.

In recent weeks, following a sharp deterioration of the situation in East Timor, there has been a flood of youths fleeing the occupied territory by seeking sanctuary in foreign embassies in Jakarta, and obtaining safe passage to Portugal under International Committee of the Red Cross auspices. Since last September more than 40 young East Timorese have entered the British, Netherlands, Japanese and French embassies.

Indonesia cynically accuses the desperate fugitives to be seeking ways to get free travel overseas under false pretences. It also claims to be placing no obstacles to their departure. In fact, the opposite is true. This week a demonstration by youths in the service of the authorities was organised in Jakarta, to insult refugees and call them traitors to the homeland. Foreign observers were struck by the intense secret intelligence and police presence outside all the foreign embassies in which the East Timorese were seeking refuge in Jakarta.

CNRM [National Council of Maubere Resistance] expresses its grave fears about the safety of the 20 boat people captured last Monday. Based on past experience, it would not be surprising if they have been massacred in cold blood by the Indonesian military, aiming to cover up the embarrassment of people fleeing the territory. A credible investigation is required, as a total denial of this incident by the Indonesian authorities is quite likely.

Philippines

Defense Chief Confirms Buildup of MILF Forces

BK2411090395 Manila PNA in English 1120 GMT 22 Nov 95

[Received via Internet]

[FBIS Transcribed Excerpt] Manila, Nov. 22 (PNA) — President Ramos today expressed deep concern over the arms buildup by the splinter Moro Islamic Liberation Front (MILF) and its link with Muslim extremist groups, particularly the Abu Sayyaf to disrupt the stability in Central Mindanao.

The president bared his concern at the National Security Council (NSC) meeting which he convened in Malacanang five days before the third round of formal peace talks between the government and the Moro National Liberation Front (MNLF) opens in Jakarta on Nov. 27.

This new development prompted the president to appeal for unity, solidarity, and teamwork among all sectors to confront the security problem posed by the MILF, the Abu Sayyaf, and other terrorist groups.

National Security Adviser Jose Almonte told a press briefing that the Jakarta peace talks will go on as scheduled.

Defense Secretary Renato S. de Villa confirmed of an arms and manpower buildup by the MILF the past two years.

"The MILF has indeed grown quite rapidly in the past two years in terms of manpower and arms buildup," de Villa said.

Military intelligence has estimated that the MILF has acquired some 5,000 to 8,000 new weapons the past 24 months, he said.

But de Villa did not specify the firearms acquired by the MILF, but it was believed they are high-powered weapons.

De Villa also said that the MILF has deployed its forces in the vicinity of big government projects under construction in Central Mindanao.

He also said that MILF has linked with the extremist Abu Sayyaf and some veterans of the Afghan war. [passage omitted]

Deployment of 70 Percent of Military in Mindanao

BK2411091095 Manila PNA in English 1211 GMT 23 Nov 95

[Received via Internet]

[FBIS Transcribed Text] Manila, Nov. 23 (PNA) — At least 70 percent of the elements of the armed forces have now been deployed in Mindanao, intensifying the tension between government troops and elements of the Moro National Liberation Front [MNLF].

This was stressed today by Basilan Gov. Gerry Salappudin in a press briefing called by Senate minority floor-leader Edgardo Angara.

Earlier, the MNLF and the government panel have agreed to call a cease-fire in preparation for the third round of the peace talks between the two sides in Jakarta, Indonesia scheduled to start by the end of the month.

According to Sallapudin, the deployment of 70 percent of the armed forces elements has prompted the Muslim rebels to recruit more members and stockpile more weapons to be able to assert their claims before the negotiating table when they meet with the government panel for the third round of the peace talks.

Both Angara and Salappudin expressed optimism that the possible failure of the government and the MNLF to forge a concrete peace agreement in the Jakarta talks will not necessary result in renewed hostilities.

Angara said he will join Sallapudin in convincing the two sides to engage in more peace talks until all their concerns have been addressed and an acceptable compromise has been reached.

However, Angara and Sallapudin were consistent in stressing that whatever agreements the two sides should make, must not run in contrast with the Constitution.

Angara and the rest of the Senate minority bloc has cautioned the government against making any swift decision which could result to the forging of what it described as "a flawed peace agreement" similar to the one recently signed with the rebel soldiers.

Angara was particularly against the call of the MNLF for the abolition of the Autonomous Region of Muslim Mindanao in favor of the setting of a provisional government and the establishment of an autonomous MNLF security force.

He stressed that such would require the amendment of the Constitution which has been strongly opposed by the minority bloc.

In the same press conference, Angara called on Indonesia to play a stronger role in brokering peace between the Philippine Government and the MNLF.

He cited the important role played by the United States and Russia in armed conflicts in the Middle East which paved the way for the attainment of peace in the region.

"We should be thankful that the Indonesians are taking the time and making all the efforts to help address these issues," Angara said.

He expressed optimism that Indonesia will step in, should the government and the MNLF fail to reach an agreement when the third round of talks in Jakarta is scheduled.

Thailand

Thanat Vows To Return 'Irrelevant' U.S. Data

BK2411050295 Bangkok THE NATION in English 24 Nov 95 p A3

[Unattributed report]

[FBIS Transcribed Excerpt] Commission of Inquiry chairman Thanat Khoman yesterday said information supplied by the United States to support drug allegations against some Thai politicians was legally irrelevant and would be returned.

Thanat said he would return the information to the Foreign Ministry as it could not be considered evidence in a court of law.

"The information that the United States sent through the Foreign Ministry has no legal binding and is not evidence, it is only an accusation," Thanat said. The former foreign minister added that his commission would continue to look for information and evidence.

US authorities submitted the information to Foreign Minister Kasemsamoson Kasemsi during his official visit to the United States to attend a United Nations conference.

Thanat's commission was set up by Prime Minister Banhan Sinlapa- acha to look into US drug allegations against certain Thai politicians. Watthana Atsawahem and Narong Wongwan, both senior members of Banhan's Chat Thai Party, have been denied US visas due to US suspicions of a connection to narcotics traffickers. [passage omitted]

Thanat Decides To Resign as Drug Probe Head

BK2411071195 Bangkok Cho So 100 Radio in Thai 0500 GMT 24 Nov 95

[FBIS Translated Text] After a meeting of the Public Hearing Committee, Colonel Thanat Khoman said that he has decided to resign as chairman of the committee because he had completed the task of laying down the framework and setting up subcommittees. The committee has ruled that the cases of the two Thai politicians accused of being involved in drug trafficking are within the Public Hearing Committee's jurisdiction. However, Thanat's resignation was turned down by the prime minister. The prime minister asked him to stay on until his replacement is found, which is expected about mid- December.

[Begin Thanat recording] It depends on when the prime minister can find a person to replace me. I will leave the post tomorrow or the day after tomorrow if he can find a replacement. He told me, however, that he wanted me to stay until about the middle of next month. I have to accept the prime minister's request since I cannot reject it. [end recording]

Thanat also said that his committee has been unable to obtain evidence to support the U.S. charges. The prime minister has instructed all government agencies and the public to send any information to the Public Hearing Committee.

Thanat said that he is not afraid of criticism over his withdrawal.

DPRK Asks To Purchase 500,000 Tonnes of Rice

BK2411071295 Bangkok THE NATION in English 23 Nov 95 p B1

[FBIS Transcribed Text] North Korea has proposed the purchase of 500,000 tonnes of Thai 25 per cent rice to ease its domestic shortage in a letter sent to Agriculture Minister Montri Phongphanit early this month, a government source said.

Earlier, North Korea bought 300,000 tonnes of rice from the Thai ministry and another 50,000 tonnes from the Marketing Organization for Farmers, but payment has not yet been fully settled.

The North Korean economic minister, who wrote to Montri, said his government will settle the dues before committing to buy the new lot of 500,000 tonnes. The source said the latest proposal will be considered by the National Rice Policy Committee, headed by Deputy Prime Minister Amnuai Wirawan shortly.

Army Chief Interview on Issue of Khun Sa's Men

BK2011093795 Bangkok NAEO NA in Thai 20 Nov 95 p 12

[FBIS Translated Text] In an interview with news reporters on 19 November, Army Chief General Pramon Phalasin admitted there might be some Thai soldiers providing support to the forces of Khun Sa. Gen. Pramon said he had ordered an investigation to find out the identity of those men, and action would be taken against them, without exception.

He said that misunderstandings by the Burmese Government over the Thai military's position regarding Khun Sa stemmed from past incidents. He pledged that no such incidents would be allowed to occur again.

Regarding the policy to be applied toward Khun Sa's forces, Gen. Pramon said they would fall under Thai law once they crossed into Thai territory — they would not be handed over to the Burmese Government. He hoped the Burmese Government would have a better understanding of Thailand.

The army commander gave the interview amid a looming conflict between Thailand and Burma about border problems. Despite meetings between leaders of the two countries lately, misunderstandings still prevail. The Burmese Government, in particular, still harbors suspicions that Thailand supports Khun Sa.

Australian Criticism Over Prostitution Rejected

BK2411064295 Bangkok THE NATION in English 24 Nov 95 p 3

[Unattributed report]

[FBIS Transcribed Text] The Foreign Ministry yesterday dismissed an Australian parliamentary committee's report accusing Thailand of failing to give high priority to the suppression of child prostitution.

Foreign Ministry spokesman Suwit Simasakun said he could not accept the allegation that Thailand is not putting enough effort into eliminating child prostitution and catching paedophiles.

"The accusation is not the official position of the Australian government because it came from a parliamentary committee," he said.

Without naming any particular country, Suwit said, "There are come misunderstandings among certain faraway countries who want to have a more active role in [Thailand]."

The Australian government is being pressured by its parliament to get tough on the suppression of sexual abuse of children by signing treaties with countries where child sex is considered prevalent and by opening a "hotline" on the Internet.

The Australian parliamentary committee accused Thai police of giving "low priority" to helping Australian authorities catch paedophiles in Thailand, and urged its government to improve arrangements with Thai authorities.

"What Thailand has called for is full cooperation from other countries to suppress the problem, but at present, the country is being blamed every time," Suwit said.

He argued that Thailand has cooperated with many countries, including the US, Belgium and Sweden, to reduce the number of child prostitutes and to punish paedophiles.

"It is not correct to criticize Bangkok for not cooperating. Actually we have placed importance on the issue and have cooperated for a long time with many countries," Suwit said.

He noted that the report failed to point out that the human rights situation in Thailand is much better than in most countries of the region.

Paper Views Outcome of Osaka APEC Summit

BK2211142295 Bangkok MATICHON in Thai 22 Nov 95 p 22

[Editorial: "A Viewpoint on the Osaka APEC Summit"]

[FBIS Translated Text] The meeting of leaders of 18 member countries of the APEC [Asia Pacific Economic Cooperation] in Osaka concluded successfully. It was a diplomatic achievement after the heads of executive branches of 18 countries assembled to push for further progress on certain collective tasks, especially in the actual implementation of trade liberalization. The meeting set the target for achieving such implementation within the next 25 years. The set target for the APEC trade liberalization is only a dream that emerges before us at present. Whether the goal can be really accomplished is another story. That is because in reality no one will allow others to take advantage but they will push for their countries to gain benefits equitably.

One can notice that only a week before the start of the Osaka summit a problem arose. Member countries argued about the move to liberalize agricultural goods. A group of countries including Japan, South Korea, Taiwan, and China insisted on rejecting the move to liberalize agricultural goods stating that they were not yet ready. This is an example indicating that trade liberalization is not an easy task. As a matter of fact, every country must think first of its own benefits before the importance of the grouping's collective ideology.

Therefore, the success of the meeting at this level is a matter of protocol rather than anything else. The true success is the creating of personal friendships and cordial relations between the leaders. Clever country leaders must take this opportunity to get acquainted with and make friends with other leaders. These practices must be carried out with sincerity to pave the way for future bilateral talks aimed at solving problems jointly. The idea of trade liberalization belongs to the grouping, and would take a long time to accomplish but bilateral talks between two countries in efforts to solve problems can take place at any time, which is much quicker than trade liberalization.

Touching on the current Thai-Malaysian case, we must accept that there are still some conflicts of interest. Whatsoever, we must place more emphasis on friendship and good neighborliness with each other. We should not let conflicts disturb the mutual good understanding between the two countries. Regarding liberalization of agricultural products, Thailand and Malaysia may not be ready to implement the policy. The fishing conflict could be an endless problem as long as the two countries have not yet jointly found ways and means to settle the conflict effectively. For example, if the two countries have a joint fishing patrol operation, they would know whether a Thai trawler is tresspassing Malaysian territorial waters or not. Moreover, our officials should also actively tell Thai fishermen not to violate Malaysian territorial waters.

Discussions at a group level can set broad rules and regulations, but talks between executive leaders of the countries can help each other solve problems more directly. Solving of problems must be done on a give-and-take basis. In dealing with another country of the same level, a country should not only take but should also give. This is because in country-to-country dealings with interests serving as a bargaining power, the act of fairness without taking advantage of one another will enhance the lasting friendship. On the contrary, a country that only wants to take from others will only downgrade itself to the status of the supported nation.

Reform Panelists Resign Alleging 'Insincerity'

BK1211102695 Bangkok THE SUNDAY POST in English 12 Nov 95 pp 1,3

[Unattributed report]

[FBIS Transcribed Excerpt] Forty-six members of the 50-man public relations and public hearing panel under the Government's Political Reform Committee announced their resignations yesterday, citing what they called the coalition's insincerity over political reform.

The mass resignation from the subcommittee dealt a serious blow to the Banhan Sinlapa-acha Government efforts to project an image of honouring its promise to bring about sweeping reform of the Constitution for greater democratic freedom.

The decision by the group was reached after a four-hour closed- door meeting to assess the Government's performance on its reform pledge over the past three months.

The Confederation for Democracy (CFD) and the Campaign for Popular Democracy which are represented on the sub-committee, said they will continue to campaign independently for reform despite the pullout.

The sub-committee, comprising largely of members from pro- democracy groups, originally decided to completely withdraw from the reform committee.

But they decided to keep four members on it to complete a survey on the public's opinion of the Government's performance.

CFD leader Dr San Hatthirat, chairman of the sub-committee, told reporters a majority of committee members agreed they would be able to campaign more effectively and independently if they quit the Government panel.

Dr San said the Government has failed to show any clear indication during the past three months that it is sincere about trying to push for reform.

The Government has not cooperated with the sub-committee on its request to use state media to educate the public.

This had prevented the panel from performing its duty effectively.

The sub-committee had to find its own sources to finance a one- million baht project to gauge the public's opinion the Government's reform efforts.

"The democratic and people's organisations have concluded that the Government has no real intention of pushing for political reform.

"We will not be able to campaign effectively for reform if we remain on the sub-committee. Therefore, we have decided to resign so we can campaign more independently by ourselves," Dr San said.

By resigning from the sub-committee, Dr San said the members would have more freedom to carry out their work and would not have their roles limited by the Government's regulations and the framework of the reform committee.

The CFD leader said the Government was bound by its promise to push for political reform.

The Prime Minister in particular promised to amend Article 211 of the Constitution to introduce an entirely new and more democratic one.

Therefore, it must take responsibility for coordinating with the Opposition and the Senate to make it a realty.

The public relations and hearing panel is among four sub- committees established by the reform committee chaired by Chat Thai MP Chumphon Sinlapa-acha, Mr Banhan's younger brother.

The three remaining sub-committees include one responsible for political development planning, another for undemocratic laws and constitutional amendments and one to specifically study Article 211 which regulates the methods of constitutional amendment.

Dr San said the mass resignation will become effective once it reaches Mr Chumphon next week.

"Apart from pulling out of the public relations panel, all four CFD members including myself, Mrs Prathip Ungsongtham-Hata, Dr Weng Tochirakan and Somsak Kosaisuk will also resign from all the other panels under the reform committee," said Dr San who is committee vice-chairman. [passage omitted]

Army Radio Ordered To Curb Antigovernment Talk

BK2411064395 Bangkok THE NATION in English 24 Nov 95 p

[Unattributed report]

[FBIS Transcribed Text] Defence Minister Chawalit Yongchaiyut yesterday instructed the military to ensure that its radio stations make the content of political commentary programmes less critical of the government.

Chawalit said he gave the instruction to the armed forces during yesterday's meeting of the Defence Council, attended by all commanders.

"I instructed the permanent secretary for defence and all the commanders of the armed forces to control the content of programmes on their radio stations," Chawalit said.

"The military does not want to support attempts to criticize the government. I asked them to ensure that callers to the programmes do not use rude words. We want the military-owned media to be neutral."

The Cabinet on Tuesday discussed how several call-in radio programmes had attacked the government "too harshly".

Chawalit was asked by the prime minister to see to it that programmes on the military-owned stations tone down their content.

PM's [Prime Minister's] Office Minister Pongphon Adireksan, meanwhile, said the mass media have been making the government a "scapegoat" and blaming everything on the administration.

Pongphon, who oversees the Mass Communications Organization of Thailand (MCOT), said the government has been harassed and intimidated by the media.

Pongphon was responding to criticism that the government threatened to harass the media, especially radio programmes, after the administration claimed they were "too critical of the government".

"I think the government has been intimidated by more than intimidating to the mass media," Pongphon said.

He denied that the government blames its poor image on the media.

"On the contrary, the media blame everything on the government. The government is held responsible for everything, even if those things are not related to the government," Pongphon said.

The minister asked that the media try to understand the government.

"Sometimes I have been at events reported in the news, and the reports were incorrect."

But, he said, the government would not issue any measures to limit press freedom.

"We simply want the media to be more accurate and fair," Pongphon said.

The minister said the Banhan government is not the first to seek to control the content of the government-owned media.

"I checked with the MCOT and found that the previous government also criticized the state enterprise for presenting too much news from the opposition's side," Pongphon said.

Deputy Education Minister Chaowarin Latthasaksiri said the media now enjoy "too much" freedom.

"In some programmes, callers attack the government without identifying themselves. This kind of programme should be banned," Chaowarin said.

Wichit Views Mutual Funds Role in SET Deals

BK2011084495 Bangkok BUSINESS DAY in English 20 Nov 95 p 1

[Report by Staff Writer Oranan Phawewan]

[FBIS Transcribed Text] Mutual funds should expand their role in shoring-up the troubled stock market, according to Bank of Thailand (BOT) Governor Wichit Suphinit.

The governor meanwhile took a swipe at analysts for contributing to a "tainted" image of the SET [Securities Exchange of Thailand] in the eyes of its regional competitors.

Mr Wichit said that all concerned organizations in the securities business should be more supportive in helping to improve the sluggish market conditions.

He said the local stock market was now strongly under the influence on foreign mutual funds which seemed to dictate the investment direction of small local investors.

Therefore it was vital for all local financial institutions to extend a helping hand to maintain stability, the central bank governor said.

He added that so far the local mutual funds had not participated in restoring the stability of the SET, but instead joined the parade of heavy sellers offloading shares.

However, it was inevitable that foreign investors would in time become less dominant, although they have for a long time been the principle capital providers, Mr Wichit said.

He added that their participation in the securities sector had enhanced Thailand's securities industry as a whole.

Mr Wichit also unloaded his frustrations about local analysts for making inaccurate comments on the stock market, confusing and demoralizing investors.

"Thailand's capital market competitors in this region are now celebrating as their rival has gained a tainted capital market investment image, thanks to local analysts," Mr Wichit said.

He also urged the management of every financial firm to keep a closed watch on their analysts in order to create discipline and make the situation better.

Commenting on the latest government measure of setting up a special fund to boost stock market liquidity, Mr Wichit said the amount of 30 billion baht only represented 1 percent of the total stock market capitalization.

In regard to accusations that the central bank was trying to solve the stock market problems by using the tax payers' money, Mr Wichit said the bank had spent over 50 billion baht helping farmers and by comparison the 30 billion baht proposed rescue fund was not excessive .

Ekkamon Kiriwat, secretary-general of the Securities and Exchange Commission (SEC), recommended local investors take a more long-term view of the market.

Vietnam

Remains, Relics of U.S. Servicemen Returned

BK2211011395 Hanoi VNA in English
1507 GMT 21 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 21 — Vietnam today handed over a number of remains and relics of American servicemen reported missing in action during the Vietnam war to the U.S. side. The return was witnessed by Desaix Anderson, U.S. charge d'affaires a.i in Hanoi.

The remains and relics were collected during the 38th joint Vietnam-U.S. search and were jointly examined on November 17 this year.

This is the 57th return of remains by Vietnam to the United States. The U.S. representative highly appreciated Vietnam's effective cooperation with the United States on the MIA issue.

German Chancellor Helmut Kohl Concludes Visit

Cooperation Agreements Signed

BK1711135295 Hanoi Voice of Vietnam in English
1000 GMT 17 Nov 95

[FBIS Transcribed Text] Talks were held in Hanoi on Thursday by Vietnamese Prime Minister Vo Van Kiet an German Chancellor Helmut Kohl. Mr. Kohl and a large German business and political delegation are on a four-day visit to Vietnam. Prime Minister Vo Van Kiet warmly welcomed the visit, the first Vietnam visit by a head of the German state, as the historic event marking a new and important landmark in relations between the two countries.

Chancellor Kohl spoke highly of the achievements gained by Vietnamese people, and expressed his confidence in the success of Vietnam's renovation. He hailed Vietnam's important role in Southeast Asia, and congratulated Vietnam on its admission to the ASEAN, its signing of a framework agreement on cooperation with the European Union, and normalization of its relations with the United States. He reiterated the German Government's policy to boost comprehensive cooperation with Vietnam, describing it as one of the priorities in its Asia policy.

Meanwhile, four documents were signed in Hanoi on Thursday by the Vietnamese and German governments during German Chancellor Kohl's visit. Vietnam's Minister of Planning and Investment Do Quoc Sam and German Minister of Economy Mr. Guenter Rexrodt signed the joint communique on the establishment of a Vietnam-Germany Economic Dialogue Forum.

The Vietnamese Finance Minister, Mr. Ho Te, and the German state secretary of the foreign minister, Mr. (Van Heuer) signed an agreement on avoidance of double taxation for income and property taxes.

The Vietnamese finance minister also signed with the German ambassador to Vietnam, Mr. Klaus Christian Kraemer a finance agreement for the 1995 fiscal year.

The general director of the Vietnam's Posts and Telecommunications General Directorate, Mr. Dang Van Than and the German minister of Posts and Telecommunications, Mr. Wolfgang Boetsch signed a memorandum of understanding on postal cooperation.

'Impressed' by Working Attitude

BK2011060595 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 19 Nov 95

[FBIS Translated Text] During his Vietnam visit, in the evening of 17 November German Chancellor Helmut

Kohl and his entourage paid a visit to Ho Chi Minh City. In the morning of 18 November at the office of the Ho Chi Minh City People's Committee, the People's Committee Chairman Truong Tan Sang received Chancellor Helmut Kohl and his entourage. Chairman Truong Tan Sang expressed his delight at the presence in Ho Chi Minh City of top German companies in the fields of banking, pharmaceutical products, car manufacture, telecommunications, and technical equipment. The chairman stated that 10 industrial zones are currently planned for Ho Chi Minh City, two of which have already started operations. The city has also carried out many procedural reforms and tried to create favorable conditions for foreign investors to invest in these industrial zones, as, for example, the issuance of a regulation reducing the time limit for authorities to issue business licenses to 15 days.

In his reply, Chancellor Helmut Kohl said he was strongly impressed by the industrious working attitude of Ho Chi Minh City, especially the efforts put in to simplify investment procedures for the industrial zones.

In the evening of the same day at the Unification Palace, Chairman Truong Tan Sang hosted a solemn reception for the German chancellor and his entourage. At noon today [19 November] at the New World Hotel, Chancellor Helmut Kohl held a reception for city leaders, former Vietnamese students in Germany, and representatives of German companies in Vietnam. He also attended the groundbreaking ceremony for the Mercedes-Benz car assembly plant in Go Vap District, Ho Chi Minh City.

This afternoon, Chancellor Helmut Kohl and his entourage left Ho Chi Minh City, successfully concluding their Vietnam visit.

Departs From Ho Chi Minh City

BK1911151595 Hanoi Voice of Vietnam in English 1000 GMT 19 Nov 95

[FBIS Transcribed Text] German Chancellor Helmut Kohl left Ho Chi Minh City on Sunday [19 November], concluding his visit to Vietnam. Before leaving the city, he met with German businessmen and visited the Mercedes Motor Assembly Plant.

He also met with Chairman of Ho Chi Minh City People's Committee Truong Tan Sang.

British Railway Officials' Visit Discussed

BK1711045695 Hanoi Voice of Vietnam in English 1000 GMT 15 Nov 95

[FBIS Transcribed Text] A delegation of senior officials from nine leading British railway companies and the British Railway Industry Association on Tuesday held a press conference about their working visit to Vietnam. Here is our comment:

Over the last few years, Vietnam-Britain relations have developed rapidly in all fields, particularly in political and commercial cooperation. Following the official visit to Britain by Vietnamese Prime Minister Vo Van Kiet in 1993, many high-ranking delegations of the British royal family and Government have visited Vietnam. These exchanges of visits have promoted friendship and cooperation between the two countries. Britain is now a major investor in Vietnam. British companies now present in Vietnam are not only from Britain, but also from Hong Kong and many other countries.

During his recent visit to Vietnam, British Minister of Trade and Industry Lord Fraser said that the British Government and companies supported the renovation process of the Vietnamese people and wanted to have long-term cooperation.

The presence of senior officials of nine leading railway companies and the Railway Association of Britain in Vietnam is to help restore and upgrade Vietnam's railway infrastructure. Speaking at a press conference in Hanoi on Tuesday, Mr (David Guinea), head of the delegation of the British Railway Association, said:

[Begin recording] [words indistinct] the Railway Industry Association, we [words indistinct] to represent British companies to make railway equipment. (?During our second visit to Vietnam) years ago and identify a number of areas that we thought we could collaborate with Vietnamese organizations to improve the railway infrastructure [words indistinct] being carried forward, one for the [words indistinct] locomotive work and two others for [words indistinct] projects; one for Hanoi-Haiphong and one for Hanoi-Dong Dang. And we are here this week to (?pursue) those projects and also to identify those projects which [words indistinct]. [end recording]

That was Mr (David Guinea) of the British Railway Industry Association speaking at a press conference in Hanoi. The [word indistinct] British Railway International [words indistinct] international railway system. It is now studying the feasibility of operating the Hanoi to Dong Dang railway section. The company planned to invest about 70 million U.S. dollars on that section. The [name indistinct] Company is conducting survey on the Hanoi to Haiphong rail link, spending about 75 million dollars. British railway experts said Vietnam has a contingent of skilled workers and engineers who are able to quickly adapt to new technologies. They believed that the Vietnam railway industry would continue to be an effective means of transport compared to roads and sea routes.

Activities of Visiting UNICEF Chief Detailed

BK2011014895 Hanoi VNA in English 1529 GMT 19 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 19 — UNICEF Executive Director Ms. Carol Bellamy paid an official visit to Vietnam from Nov. 16-19 at the invitation of Foreign Minister Nguyen Manh Cam.

Minister Cam worked with Ms. Carol Bellamy and her party, and hosted a banquet in honour of the delegation. The two sides spoke highly of the Vietnam-UNICEF effective cooperation over the past years and affirmed continued cooperation in the coming time.

The Vietnamese foreign minister informed the UNICEF officials of Vietnam's achievements in the current renovation process, its open- door foreign policy with diversification and multilateralization of international relations, and expansion of cooperation with international organizations including UNICEF. He highly valued UNICEF assistance to Vietnam through effective projects on health care, education, and safe water supply. He wished that in the coming period UNICEF would promote cooperation and assistance to Vietnam, especially funds to ensure the fruitful implementation of the 1996-2000 cooperation programme.

Ms. Bellamy thanked the Vietnamese Government and relevant agencies for their support to the implementation of UNICEF projects in Vietnam. She also expressed her pleasure at Vietnam's socio- economic achievements, particularly in child care. She affirmed that UNICEF would enhance its cooperation with Vietnam in the implementation of 1996-2000 programme. She wished that Vietnam would actively contribute to the common works of UNICEF.

While in Vietnam, Ms. Carol Bellamy was received by Prime Minister Vo Van Kiet, who hailed the effective assistance of UNICEF to Vietnam and assured here that child care and protection work is always given priority by the Government and State of Vietnam. He also stressed that besides international assistance, the most important things to ensure Vietnam's success are to mobilise every source of the country and to rely on internal strength.

Ms. Carol Bellamy informed Mr. Kiet of the results of the talks between her delegation and Vietnamese relevant ministries, branches as well as the outcomes of the freshly-ended Asia and Pacific Ministerial Consultation on the goals for children held in Hanoi. She highly appreciated the commitment and great efforts made by the Government and people of Vietnam in the field of child care and protection and confirmed that UNICEF will share responsibility with Vietnam in this common cause.

Prime Minister Vo Van Kiet hailed the 'Hanoi Declaration', which was adopted at the consultation and affirmed that Vietnam will spare no effort to carry out those goals.

During the visit, the UNICEF executive director and her delegation had working sessions with the child care and protection committee, the women's union, the ministries of planning and investment, education and training, and public health. They called at sites of UNICEF-fund project in the northern mountain province of Hoa Binh.

Government Allows Extra Rice 1995 Export Quota

BK2111130495 Hanoi Voice of Vietnam in English 1000 GMT 21 Nov 95

[FBIS Transcribed Text] Deputy Prime Minister Phan Van Khai last week signed a directive allowing the export of 150,000 additional tonnes of rice over and above the 1995 plan of 2 million tonnes.

The further export was allowed following assurance from state projects that there will be adequate rice from the 1995-96 crop to maintain food supply projects. Priority will be given to local exporters with surplus of stock. The rice projects will be strictly monitored to ensure stable prices in the market.

Vietnam has exported an average of 2 million tonnes per annum in recent years, securing its place as the world third largest rice supporter.

Meeting Commemorates Fatherland Front Anniversary

BK1811145795 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 17 Nov 95

[Quang Huong's report on ceremony on 17 November in Hanoi to mark 65th founding anniversary of Vietnam National United Front]

[FBIS Translated Excerpt] Dear friends; This morning at the Vietnam-Soviet Friendship Palace, the standing committee of the Communist Party of Vietnam [CPV] Central Committee, the National Assembly Standing Committee, the government, and the Vietnam Fatherland Front [VFF] Presidium jointly held a solemn ceremony to mark 65th founding anniversary of the National Unified Front.

Attending the anniversary ceremony were Party General Secretary Do Muoi; Party Advisers Pham Van Dong and Vo Chi Cong; President Le Duc Anh; Prime Minister

Vo Van Kiet; National Assembly Chairman Nong Duc Manh; Le Quang Dao, president of the Vietnam Fatherland Front Presidium; many high-ranking leaders of the party, the state, the fatherland front, and the army; many veteran revolutionary cadres; representatives of war veterans, families of war martyrs, and heroic mother title holders; representatives of diplomatic missions and international organizations in Hanoi; and delegates from various sectors and agencies in Hanoi. In special presence at the ceremony were a number of former cadres of the front who had made considerable contributions from the early days of the front. [passage omitted on report on opening speech by Le Quang Dao, president of VFF Presidium]

Addressing the audience, Comrade Party General Secretary Do Muoi affirmed that the great national unity is an extremely valuable tradition throughout the long history of national construction and protection. The victories of the August Revolution and the resistance were results of the development of that tradition. Presently the fatherland construction and protection undertaking requires even more unity, and that has always been the direction that the party and state follow. In order to further proceed on the renovation path, we should further expand the great national unity bloc. Comrade Party General Secretary Do Muoi continued:

[Begin Do Muoi recording] In the condition of one-party system of our country, the VFF — with its basic components being the working class, the farmers' class, and the intelligentsia — has a very important role. It is an organization with the widest participation of all classes, strata, ethnicities, religions, mass and social organizations, typical civilians and intellectuals, and people inside and outside the country. It mobilizes the all-people bloc to heighten the spirit of independence, self-reliance, self- supply, and self-determination; to nurture the tradition of relying firstly on our own strength; and to develop the tradition of great unity for the sake of country's ultimate interests, the advancement of the fatherland, and for both present and future generations.

In order to fulfill those noble tasks, we need to relentlessly consolidate and expand the organization and renovate VFF activities, so as to make the front the widest social organization of the people. The front should be the organization that reflects people's aspirations and expectations, nurtures unity among members, and assists the state in matters arising from the people's daily lives. We should exercise democracy; improve social services; care for people's rightful interests; participate in the building, inspection, and protection of the party and state as well as management of the society; practice thrift and antigraft, antiwaste, and antiofficialism measures; fulfill all economic, cultural, social, security, national defense, and external affair tasks; and assist in strengthening the close relationship between the people and the party and state.

In the capacity of the political foundation of the people's administration, the VFF and other mass organizations should coordinate and unite closely in consolidating the great unity bloc, stay close to the people at the grassroots level, develop membership with diversified and abundant forms of activity, and unite around the CPV. Together we will endeavor to construct and protect the fatherland, consolidate international unity, and expand relations with political, social, and nongovernmental organizations of the world. [end recording] [passage omitted on statements by representatives of various groups of meeting attendants]

Do Muoi Addresses Meeting

BK1811162295 Hanoi VNA in English
1347 GMT 18 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 18 — The Vietnam Fatherland Front (VFF) has been one of the factors that decide the victory of the Vietnamese revolution, said General Secretary of the Communist Party of Vietnam Do Muoi at the celebration of the VFF 65th founding anniversary held here yesterday.

The party leader went on to say that the VFF, during its 65th years of existing and developing through different stages of the revolution, has unceasingly grown, encouraged people of all walks of life and made great contributions to the revolution. The growth of the VFF had borne out the truth of Ho Chi Minh's strategic idea: 'Unity, unity, great unity. Success, success, great success.'

More than 70 years ago, the great patriot Nguyen Ai Quoc (President Ho Chi Minh), clearly pointed out that national independence and socialism is a right path to save the country, regaining national independence and bringing in freedom and happiness to the people.

To develop the people's patriotism spirit, President Ho Chi Minh set forth a policy to establish a national unity front (now the VFF) with a view to gathering and uniting all working classes, nationalities and religions, thus multiplying the strength of this patriotism.

Since its foundation in 1930, the VFF has constantly brought into full play its role and position, contributing to the broadening and strengthening national great unity.

He said: 'The people are always the roots of the country because the country always belongs to them. Revolution is like a ship the helm of which the people has entrusted to the party, and it's thanks to the strength of the people that the ship of revolution can reach its destination.'

'It is the people's views, aspirations and initiatives that have inspired the party in charting the line of the revolution, the line of renewal renovation (doi moi),' he further said.

Mr. Do Muoi stressed: 'Unity must now be promoted much more vigorously for the construction and defence of the country, which is the main line of the party and the state'.

'Common objective should be made a common ground, differences should be accepted provided they don't run counter to the common interests of the nation, all complexes and old scores should be done away with for the sake of the future,' he said.

The party leader called for respect to the diversity of the Vietnamese community, stressing that 'Vietnamese, whether in the country or abroad, should all have a chance to contribute to the common cause of the nation.'

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